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July 6, 2016

### MEMORANDUM

**TO: Power Committee Members**

**FROM: Tina Jayaweera, John Ollis**

**SUBJECT: Summary of Comments on Demand Response Advisory Committee/System Integration Forum Issue Paper and Proposed Charter for DRAC**

### BACKGROUND:

**Presenter:** Tina Jayaweera, John Ollis

**Summary:** On May 16, 2016, the Council released an issue paper for public comment on the formation of a Demand Response Advisory Committee (DRAC) and System Integration Forum. Comments were due on June 17, 2016. Council staff provided an initial overview of comments received at the June 14<sup>th</sup> Power Committee meeting and will now provide an overview of all comments received. In total, 16 organizations and six individuals provided comments.

Staff will also present the proposed charter for the DRAC, indicating how the scope has changed based on comments received. The Council will be presented with the decision to approve the charter.

**Relevance:** The formation of a demand response advisory committee, including the consideration of enabling technologies such as smart grid, is recommended in the Seventh Power Plan's Action Plan, item COUN-1.

**Workplan:** A.2 Demand Response

Background: The Council approved the release of the issue paper during the May 2016 Council meeting, after discussion with the Power Committee.  
<http://www.nwcouncil.org/news/meetings/2016/05/>.

More Info: The issue paper and all comments received are posted on the Council's website here: <http://www.nwcouncil.org/energy/dr/papers/drac-sif-issue-paper/>

Attachments: See Council packet material for proposed charter for Demand Response Advisory Committee.

# Summary of Comments on DRAC Charter and DRAC/SIF Issue Paper

July 9, 2016

Tina Jayaweera and John Ollis



## Commenters

- Applied Energy Group
- BPA
- Comverge
- Energy Northwest
- EQL
- Honeywell
- NW Energy Coalition
- OR Dept of Energy
- OR PUC
- PNNL
- PGE
- PNUCC
- PSE
- Smart Grid NW
- Snohomish PUD
- Wash State Dept of Commerce
- Individuals
  - M. Baker
  - K. Corum
  - B. Henry
  - C. Patterson
  - I. Phillips
  - J. Swisher



## Themes in Comments on DRAC

- **Clear definition of DR**
  - Include DR beyond capacity
- **Discussion on how to value, including locally vs regionally**
- **Evaluation measurement & verification**
- **EE/DR interplay**
- **Contractual barriers paramount**
- **Agree DRAC separate from System Integration Forum, in near-term at least**

## Themes, cont.

- **Earlier development of DR supply curves**
- **DR market transformation important**
- **DRAC membership needs to be diverse**
  - Includes: outside regional players, LI/HTR community, implementers, evaluators, utilities

## Other Comments

- Include link to action items in charter scope
- Focus on DR assets/opportunities
- Disaggregate DR potential by service territory
- Promote open protocols

## Changes to Charter Scope Section 3: Objectives and Scope of Activity

- Added as a new objective:
  - “Assisting the Council in developing common definitions of demand response products that satisfy regional and local capacity requirements.”
- Explicitly included “contractual” as a barrier to identify and resolve

## More Changes

- Added:
  - Assisting the Council by providing feedback and suggestions for improving the effectiveness of the demand response resource development programs and activities in the region, *including the evaluation of these resources and the interplay between demand response and energy efficiency*.
- Added relevant action item numbers after pertinent objectives

## Themes in Comments on SIF

- Strong support for discussing transactive energy and “smart grid” in the SIF.
- Better define core purpose and format.
- Engage first System Integration Forum before the mid-term.
- Include both traditional and non-traditional solutions in system integration topics.
- Potentially segue into advisory committee if successful.

## Themes, cont.

- Include the following topics in a SIF:  
Energy Imbalance Market, Resiliency,  
“Grid-Edge” Resources, Ancillary Services,  
Transmission Planning, Natural Gas  
Infrastructure, Climate Change effect on  
hydro, VER Integration, Storage, and  
Distributed Energy Resources.

## When we call a System Integration Forum?

- The Council staff will initiate a SIF on a topic for two reasons:
  1. A topic is more efficiently and effectively discussed in a SIF than iterating between advisory committees.
  2. A topic does not have an obvious advisory committee assignment.

## What is a System Integration Forum?

- A meeting or series of meetings that draw together interested stakeholders and members of related advisory committees to discuss a well-defined topic that meets one or both of the criteria previously mentioned.
- The goal of each System Integration Forum will be to recommend to Staff and the Advisory Committees a consistent approach for addressing the SIF topic independently.

## Relationship between Advisory Committees + Forum

