



## *The Demand Response Communiqué*

A summary of the latest DR news, February 15, 2008

Compiled by the Peak Load Management Alliance

The Peak Load Management Alliance is proud to release our latest "reader's digest" of national and regional Demand Response news, summarizing its impact on reshaping electricity markets. Concentrating these articles into one document makes trends and success stories more visible.

Please feel free to submit items you believe are newsworthy to Elliot Boardman, Executive Director, at [eboardman@peaklma.com](mailto:eboardman@peaklma.com).

Watch the PLMA Website ([www.peaklma.com](http://www.peaklma.com)) for details on the Spring 2008 PLMA CONFERENCE, April 30 - May 1, 2008 at the Sheraton Baltimore City Center, Baltimore, MD.

Also, stay up-to-date with what's happening in the demand response world by attending our upcoming Web Workshops.

### **ISO New England Secures \$4.50 Kilowatt-Month Deal**

The region's grid operator said it successfully filled New England's electric capacity needs through its inaugural auction. The Independent System Operator has filled the estimated capacity needs for New England from mid-2010 to 2011 at a cost of \$4.50 per kilowatt month. A capacity payment is set by the amount of electricity a power plant can produce or the amount a major electricity user or program administrator can reduce.

[click](#) here for further details

### **Elster Reaches Milestone in Shipping Over 150,000 AMI System Smart Meters with Integrated Service Control Switch**

Utilities using REX meters with an integrated service control switch are seeing a significant streamlining of field operations, reduced operating costs, increased revenue assurance, and improved customer service.

[Click](#) here for further details

### **BLUEPOINT ENERGY, the newest member of PLMA, signs agreements with utilities and end use customers to provide demand response programs.**

<http://www.bluepointenergy.com/news.php>

### **World's most diverse interoperable home energy management system powered by ZIGBEE on display at Centerpoint Energy Technology Center**

The world's most diverse ZigBee powered Home Area Network (HAN) is now on display at CenterPoint Energy Houston Technology Center. The display features ZigBee enabled electric and gas meters from **Itron**, ZigBee enabled programmable controllable thermostats (PCT) from Computime, Control4, Hunter Fan Company, Golden Power Manufacturing/Radio Thermostat Company of America and Trane, along with an energy management web portal from Tendril Networks. The hands-on ZigBee powered HAN at CenterPoint Energy's Technology Center offers a view into the utility's innovative use of technology, which is designed to improve energy efficiency and electric service.

CenterPoint Energy, which began a limited deployment of 10,000 electric and 100 gas advanced meters earlier this year, is one of several innovative utilities that are members of the ZigBee Alliance. It is joined by other utilities helping to ensure that ZigBee HANs support future energy management solutions. That group includes: DTE Energy, Oncor Electric Delivery, Sempra Utilities, Southern California Edison, and TXU Energy.

### **Reliant Completes Successful Test of New Demand-Response System**

Reliant Energy has completed a successful test of a new demand-response system designed to give customers greater control of their electricity usage while reducing demand for power during peak usage periods, making the company the first retail electric provider in the state to do so.

Called the Energy Saver Partner program, the system utilizes smart meters to communicate with web-programmable thermostats and high-usage appliances in the home like electric water heaters and pool pumps. During times of high electric ity usage across the state, the system can be used to increase thermostat settings by a few degrees or cycle off air conditioning systems for short periods of time.

[Click](#) here for further details

### **Energy Efficiency Filing Would Propel ComEd to National Leadership Position**

ComEd today outlined plans to save customers more than \$155 million on their electricity bills as a result of a new portfolio of energy efficiency programs. Once implemented, the programs will place ComEd among the top three utilities in the nation in terms of annual electricity savings achieved through energy efficiency.

In a filing with the Illinois Commerce Commission (ICC), ComEd proposed a slate of programs to meet energy reduction targets over a three-year period. If targets are met, ComEd customers would reduce their electricity consumption by a cumulative amount of about 1.2 million megawatt-hours (MWh) by the end of the three-year program. This would equal the amount of electricity needed to power about 140,000 homes for one year.

Savings on customers' bills will pay for the cost of implementing the programs and produce additional net savings of more than \$155 million over the lifetime of the portfolio.

[Click](#) here for further details

### **BluePoint Energy Announces Approval to Participate in PJM's Emergency Load Response Programs**

El Chapeau, Inc. d/b/a BluePoint Energy (OTC BB: CPEU) announced today that it has received membership approval to participate in PJM Interconnection's Emergency Load Response Programs as a Curtailment Service Provider. PJM coordinates the movement of wholesale electricity through all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia.

BluePoint Energy's Demand Response Asset Aggregation Program (D-RAAPT) is not only a major solution provider available to over 83% of California's population but is now available to the nearly 51 million people in PJM Interconnection's large and dynamic service region. <http://www.bluepointenergy.com/news/PR20071116.pdf>

### **Toronto Hydro-Electric Receives Award for PeakSaver® Program**

Industry kudos for Toronto Hydro-Electric System's innovative peak reduction program ? called peaksaver® ? just keep coming with the announcement in New York City that one of Canada's largest power distribution companies won a prestigious Platt's Global Energy Award for strongest Energy Efficiency Initiative.

<http://www.platts.com/GEAWeb/resources/jsp/winners2007.jsp>

### **ECS' Stephen Lynch Named as Chairman of NYISO Price Responsive Load Working Group Committee**

Stephen Lynch, Principal and Co-founder of Energy Curtailment Specialists, Inc., a demand response provider headquartered in Buffalo, New York, and President of ACE Energy Company, Inc., a full service energy efficiency and savings company, has been named as chairman of the New York Independent System Operator (NYISO) Price Responsive Load Working Group (PRL WG) Committee.

### **Itron: Recipient of the Frost & Sullivan Award for Market Leadership**

The Frost & Sullivan Award for Market Leadership is given to the company that has exhibited market share leadership through the implementation of market strategy. The recipient has displayed excellence in all areas of the market leadership process, including the identification of market challenges, drivers and restraints, as well as strategy development and methods of addressing these market dynamics. Furthermore, the Award recipient has continually demonstrated solutions for monitoring market changes and for implementing superior market strategies.

[http://www.itron.com/asset.asp?path=assets/itr\\_016143.pdf](http://www.itron.com/asset.asp?path=assets/itr_016143.pdf)

**Comverge Provides Nation's First ZigBee Enabled Demand Response System** Comverge, Inc. a leading clean capacity provider through demand response and energy efficiency, announced that it has successfully launched the nation's first ZigBee(R) enabled demand response program as part of a pilot sponsored by the Center for the Commercialization of Electric Technologies (CCET). Using ZigBee enabled demand response thermostats (SuperStat(R)) and digital control units (DCUs), Comverge successfully executed load control operations from its hosted data center in Atlanta, GA to selected residents in Houston, TX. The CCET pilot is designed to integrate demand response systems with advanced metering infrastructure (AMI) technology. The Houston pilot is being conducted across 500 homes within the CenterPoint Energy service territory and includes retail electric provider participation from Reliant Energy, TXU Energy, and Direct Energy.

The ZigBee enabled demand response system utilizes an AMI solution from Itron, integrated with Comverge's demand response technology. Itron's OpenWay(TM) CENTRON(R) smart meters, currently being tested in a limited deployment by CenterPoint Energy, communicate with Comverge's SuperStats and DCUs to control central air conditioning systems and other high-usage residential appliances such as electric water heaters and pool pumps. During times of high electricity usage Comverge demand response system can change thermostat settings by a few degrees or cycle off air conditioning systems for short periods of time by utilizing the AMI system as a 2-way communications infrastructure. The system will also enable more advanced options such as in-home displays, critical peak pricing programs, and other price responsive rate options.

<http://www.comverge.com/news-events/archives.cfm>

### **TVA sets winter power demand record**

TVA met the highest demand for electricity ever during the winter season on Wednesday, Jan. 2, and likely will meet another record demand for power today, as cold winter temperatures increased power use across the Tennessee Valley. Based on initial readings, the TVA system met a demand of 30,537 megawatts at 7 p.m. CST Wednesday, when the average temperature across the Tennessee Valley was 23 degrees. The exact amount of the peak demand is preliminary and may be adjusted slightly. [http://www.tva.gov/news/releases/janmar08/winter\\_peak.htm](http://www.tva.gov/news/releases/janmar08/winter_peak.htm)

### **Energy Curtailment Specialists Emerges in New Market**

The need for demand response participants has arisen once again in the PJM territory and Buffalo-based Energy Curtailment Specialists, Inc. (ECS), the largest privately held demand response provider in the country, is pleased to announce their entrance into this market.

ECS' program is a best-efforts, no penalty program in which participants are paid for reducing electricity when the grid is unstable. Participants receive advanced notification from ECS when the grid is forecast to be unstable, allowing businesses to form a reduction plan and notify staff of the curtailment event. [http://www.ecsny.com/press\\_release\\_jan3.php](http://www.ecsny.com/press_release_jan3.php)

### **ECS Anticipates Paying Out \$18 Million to New York Businesses this Summer**

Energy Curtailment Specialists, Inc. (ECS), the largest demand response company in New York's markets, expects to pay out more than \$18 Million during the upcoming summer period to its customers participating in its Operation Save New York Demand Response Program.

Throughout New York, and across the United States, several thousand large electricity users receive payments for participating in demand response programs. Operation Save New York is the single largest such program and is focused on New York State businesses.

ECS' aggregate customer pool across all of its markets represents an amount of electricity brought off line equivalent to powering over 800,000 homes. Over the past 6 years, ECS has paid its program members more than \$50 million for their

participation in the various demand response programs.

[http://www.ecsny.com/press\\_release\\_feb6.php](http://www.ecsny.com/press_release_feb6.php)

### **365 Main Continues Energy Management Efforts Through PG&E's Critical Peak Pricing Program**

As a second-year participant in PG&E's Critical Peak Pricing (CPP) program, 365 Main reduced power consumption during CPP events and saved \$54,000 in utility costs at its San Francisco data center in 2007. This is the largest CPP savings among all data center companies in PG&E's coverage area. In total, 365 Main saved 7,477 kWh during the CPP events in 2007 when the company was able to curtail power usage below its energy-consumption baseline.

PG&E's voluntary CPP program is designed to curtail energy load during the summer to offset the possibility of an energy emergency. The utility offers seasonal discounts to single-building customers that reduce or shift their energy usage away from peak periods. [http://www.365main.com/press\\_releases/pr\\_1\\_8\\_08\\_energy.html](http://www.365main.com/press_releases/pr_1_8_08_energy.html)

### **EnerNOC, Inc. Names Darren Brady Chief Operating Officer and Senior Vice President**

EnerNOC, Inc., a leading provider of clean and intelligent energy solutions, announced the appointment of Darren Brady to the role of chief operating officer and senior vice president. Brady joins EnerNOC from Washington-based Puget Sound Energy (PSE), a subsidiary of Puget Energy (NYSE: PSD), where he served as senior vice president of Customer Service and Information Technology and chief information officer since October 2005.

Brady, who is an expert in advanced metering infrastructure and energy efficiency, will manage EnerNOC's Operations, Engineering, and Information Technology teams, and will help support the company's continued efforts to expand into new markets.

<http://investor.enemoc.com/releasedetail.cfm?ReleaseID=284866>

### **ISO New England's First Forward Capacity Market a Success; Auction Attracts Investment, Increases Role of Demand Resources, and Decreases Costly Reliability Agreements**

New England's first Forward Capacity Market (FCM) auction has secured a blend of new and existing generation and demand-side resources to supply the 32,305 megawatts (MW) the six-state region will need in the 2010 to 2011 timeframe. The winning mix illustrates the market's effectiveness in addressing future reliability needs by encouraging new investment, demand-side participation, and maintenance of existing resources. ISO New England, which developed and ran the three-day auction, operates the region's bulk power system and wholesale electricity markets.

[Click here](#) for further details

### **ERCOT's plan to change Texas' power grid to cost \$62M more than planned**

The Electric Reliability Council of Texas, which operates the state power grid, said Wednesday a plan to fundamentally change the way the grid operates will cost about \$62 million more than expected. The ERCOT Board of Directors voted to boost the cost of switching to a so-called "nodal" market to \$311.3 million, up from a previous estimate of \$248.9 million.

Electricity users would pay those costs in the form of a surcharge that amounts to about 17 cents for the average household, up from about 13 cents. Technically the surcharge would be paid by wholesale power companies, which could pass along the cost to end customers.

The new wholesale market system, which will go into effect December 1, is designed to improve the efficiency of the system. By pricing electricity through approximately 4,000 nodes, rather than averaging prices across large regions, the market can more precisely identify costly bottlenecks or spots that could use new power plants.

[Click here](#) for further details

As consumers grumble and other states rethink deregulation, Texas politicians support the free market. Deregulating the electricity markets was supposed to lower utility bills and improve service. For most people living in areas where power companies compete for their business, the opposite has happened. That's why many deregulated states are adding back regulations, even re-creating the old local utility monopolies.

The one state that isn't even considering a change is Texas, the most deregulated state of all. Many Texas lawmakers say

free markets -- not rules and regulations -- should protect consumers from rising energy costs. But those free markets keep Texas' electricity prices higher than those of most states, breaking politicians' promise of lower utility bills. [click](#) here for further details

### **Comverge Announces Alec G. Dreyer's Appointment to its Board of Directors**

Comverge, Inc., a leading clean capacity provider through demand response and energy efficiency, announced today that Alec G. Dreyer has joined its Board of Directors. Prior to this appointment, Mr. Dreyer served as Chief Executive Officer and member of the Board of Directors of Horizon Wind Energy LLC. Mr. Dreyer helped Horizon Wind Energy successfully develop, build and operate wind farms in Washington, Oklahoma, New York, Texas and Illinois. The Company was nearing completion of a two-year, \$2.2 billion capital investment program with major construction projects in Illinois, Texas, Oregon and Minnesota when it was sold to Energias de Portugal, SA in July 2007. Preceding this, Mr. Dreyer served as President of Dynegy Inc.'s Generation Division, where he managed approximately 13,000 megawatts of generation with 10 officers and approximately 1,200 employees.

<http://ir.comverge.com/ReleaseDetail.cfm?ReleaseID=291242>

### **ComEd Pioneers Real-Time Pricing Program for Residential Customers**

The majority of customers who participated in ComEd's unique Residential Real-Time Pricing (RRTP) program for all 12 months in 2007 experienced an annual savings between 7 to 12 percent compared to the fixed rate other residential customers received, according to figures released by the utility today. [Click](#) here for further details

### **PJM Reliability Pricing Model Auction Draws Largest Amount of New Capacity So Far**

The fourth PJM Interconnection base residual auction for capacity using the Reliability Pricing Model (RPM) continued the trend of increased generation and demand resources available to serve consumers. Results of the fourth auction, which was for the planning year June 2010 through May 2011, were posted today.

"For this auction by itself we saw the largest net increase in capacity since we began the RPM auctions," said Andrew L. Ott, PJM vice president-Markets. "We added a net 1500 megawatts of resources."

"Looking at the combined results of the four base auctions, the net minimum increase in capacity was 10,000 megawatts compared to what would have been available absent RPM," Ott added. "In other words, there will be 10,000 megawatts of capacity ready to keep the lights on for consumers that wouldn't have been there without RPM."

[Click](#) for further details

### **PECO Provides Energy Saving Answers Online With Key Calculators From Apogee Interactive**

PECO is providing leading edge environmental and energy saving information to its customers through a new series of Web-based calculators from Apogee Interactive. PECO customers can now see the specific environmental and energy impacts of their household energy choices by using any of the new calculators on the "Save Energy/Save Money" section of the PECO Web site at ([www.pecowinter.com](http://www.pecowinter.com)):

- Lighting Calculator
- Appliance Calculator
- Heating Calculator
- Setback Thermostat Calculator
- TV Calculator
- Efficiency Calculator
- Paperless Billing Calculator

<http://www.apogee.net/newsdetail.aspx?itemID=12>

### **Frank Stern Joins Summit Blue Consulting LLC as Principal**

Summit Blue Consulting LLC (Summit Blue), a leading provider of utility and energy consulting services, announced that Frank Stern recently joined Summit Blue as Principal and will lead work in the areas of utility resource planning, climate change policy analysis, and renewable resources. Mr. Stern is a recognized industry expert who has led major assignments for utilities, independent generators, and state and regional energy agencies.

"Frank brings in-depth industry experience in the areas of generation modeling, asset valuation, financial modeling, and resource planning that will add to the firms expertise in these areas," said Kevin Cooney, Chief Executive Officer of

Summit Blue.

<http://www.summitblue.com/staff.php?key=48>.

**NYISO Issues 2008 Reliability Needs Assessment: Initiates NYISO's third cycle of comprehensive planning**

The Board of Directors of the New York Independent System Operator (NYISO) has approved the 2008 Reliability Needs Assessment (RNA), which begins the NYISO's third cycle of comprehensive planning for the state's bulk electricity grid. The first round commenced with the December 2005 issuance of the 2006 RNA.

The RNA is the first part of the NYISO's Comprehensive Reliability Planning Process (CRPP), which annually analyzes, identifies and addresses New York's generation adequacy and transmission reliability needs over a 10-year span.

[Click](#) for further details

**Comverge Announces Extension of Virtual Peaking Capacity Contract with Connecticut Light & Power**

Comverge, Inc., a leading clean capacity provider through demand response and energy efficiency, announced today that it has reached an agreement with The Connecticut Light and Power Company (CL&P) to extend the termination date of the 130 megawatt Virtual Peaking Capacity contract, if the contract does not receive regulatory approval, from December 15, 2007 to May 31, 2008. As previously announced by Comverge on November 14, 2007, the Connecticut Department of Public Utility Control (DPUC) denied the contract as initially submitted. The time extension allows for Comverge and CL&P to continue to work together to revise and resubmit for approval a contract in accordance with the parameters suggested by the DPUC.

[http://www.comverge.com/news-events/news/12062007\\_01.cfm](http://www.comverge.com/news-events/news/12062007_01.cfm)