



# Locational Targeting Pilots from the EE and DR Portfolios

IDER Incentive Pilot  
Advice Letter Filing Workshop  
July 10, 2017



# Goal of Targeted Demand Side Management

Develop a process wherein customer-side programs can be integrated into a least-cost planning framework to support distribution or transmission system reliability.

**Work stream I:** Build capability to develop and implement targeted demand side solutions in response to identified reliability deficiencies at the distribution or transmission planning area, substation, bank or feeder level.

**Work stream II:** Develop integrated planning framework wherein demand side resources are explicitly considered as mitigation for deficiencies identified in the annual T&D Planning Process.

**Key to Success: Coordination between Electric Asset Management and Strategy and Customer Programs**

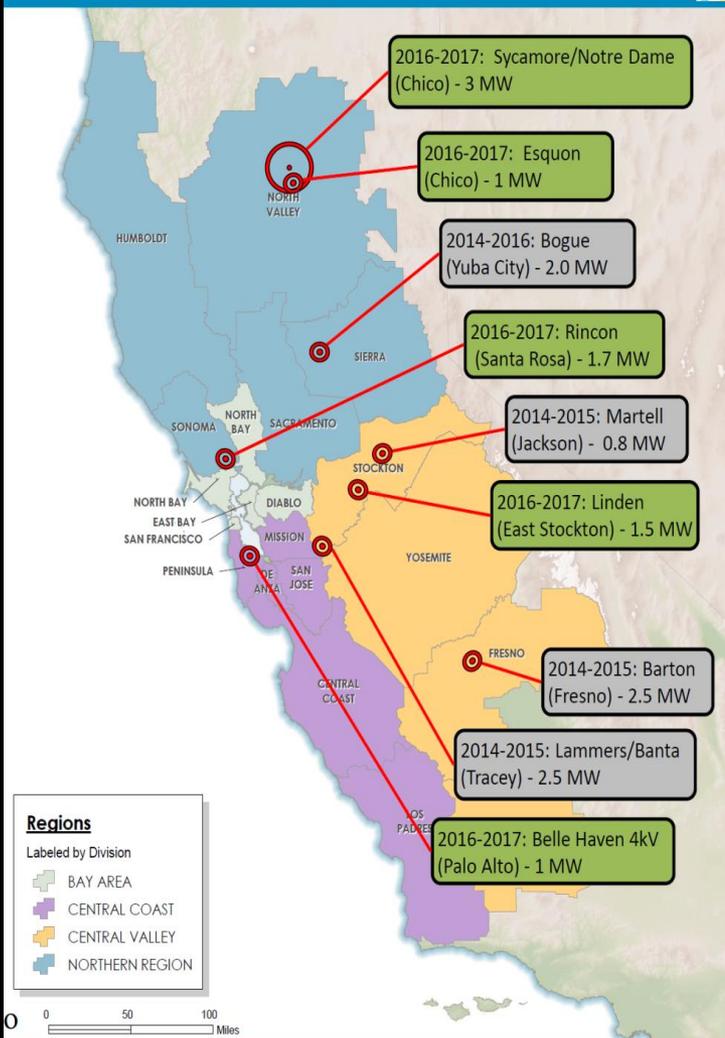


# Targeted Demand Side Management Initiative (TDSM)

## Demand Response Transmission and Distribution Pilot (Decision 14 05 025)

- ✓ Build Out of Targeted Demand Side Management Dashboards
- ✓ Develop programing, processes and procedures for substation level calling of SmartAC and BIP demand response programs
- ✓ Demonstration of Locational Behavioral Demand Response Program
- ✓ Demonstration of Locational Bring Your Own Thermostat Program
- ✓ Demonstration of Enhanced Customer Acquisition Approaches
- ✓ Proof of Concept for Automated Demand Response Event Calls

## Targeted Demand Side Management (TDSM)



## EE Programs Decision 14 10 046

For locational energy efficiency programs, all Program Administrators (PA) shall do the following:

- ✓ For changes to existing programs to target them towards specific locations, PAs shall provide updates to relevant Program Implementation Plans (PIPs) through the addendum process to identify new activities in targeted locations.
- ✓ "Tag" measures/projects for internal and external tracking and auditing purposes.
- Work with Commission Staff to determine how much of a departure from default PV[Gen] and PV[TD] values in cost calculators is appropriate to capture the locational value for such projects



# Locational EE Incentive Enhancements to Existing Programs

## Residential Programs

Table 11 – Summary Table of Measures, Incentive Levels and Verification Rates

Measure Group	Market Actor Receiving Incentive or Rebate	PGE			Res Specific					
		Incentive Level	Locational Incentive Enhancement [1]	Installation Sampling Rate	2016 Substations					
					Esquon	Sycamore	Notre Dame	Belle Haven	Rincon	Linden
					95926	95926	95926	94025	95402	95205
					95928	95927	95927	94027	95404	95212
					95938	95928	95928	94061	95405	95215
Advanced Home Upgrade					95939	95973	95929	94062	95409	95219
AC Replacement Kicker (≥14 SEER/12 EER)	Customers	Based on modeled site savings %	\$ 400	Tiered 100%-2%	95958		95973	94063		95236
					95965					94303
Variable Speed Pool Pump Kicker	Customers	Based on modeled site savings %	\$ 200	Tiered 100%-2%	95973					95240
					95974					95242

Non-Residential Programs	Measure	Incentive w/o Enhancement	Locational Measure Enhancement	Targeted Locations
Calculated Incentives	All	\$150/kW	\$100/kw for a final value of \$250/kw	Customers interconnected downstream (distribution side) of the Sycamore, Notre Dame, Esquon, Rincon, Linden, and Belle Haven substations
Deemed Incentives	All	Variable per-unit rebate	\$100/kw on top of the per unit rebate	Customers interconnected downstream (distribution side) of the Sycamore, Notre Dame, Esquon, Rincon, Linden, and Belle Haven substations



# Targeted DSM Dashboard

Key to Success: Use data to determine the needs of a substation and its customers

## Targeted DSM for T&D

Updated

All Segments

Filters

Top SP IDs (For Export)

100,000

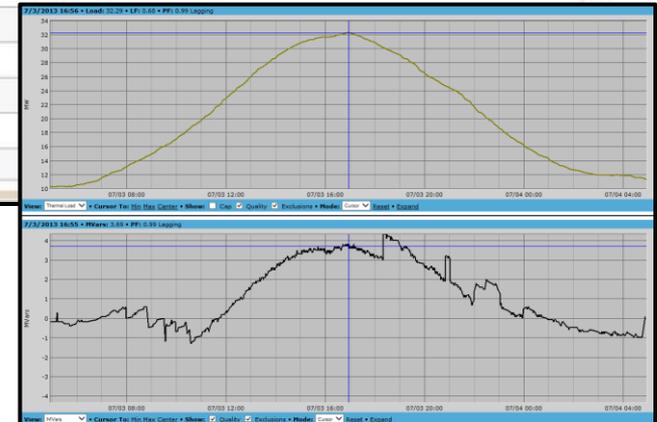
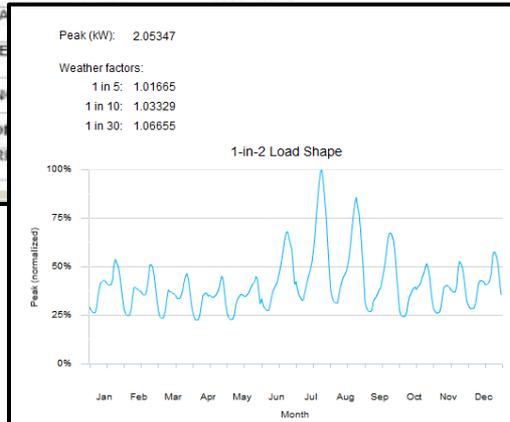
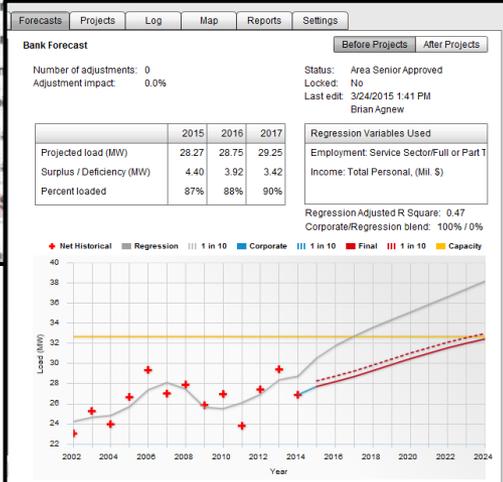
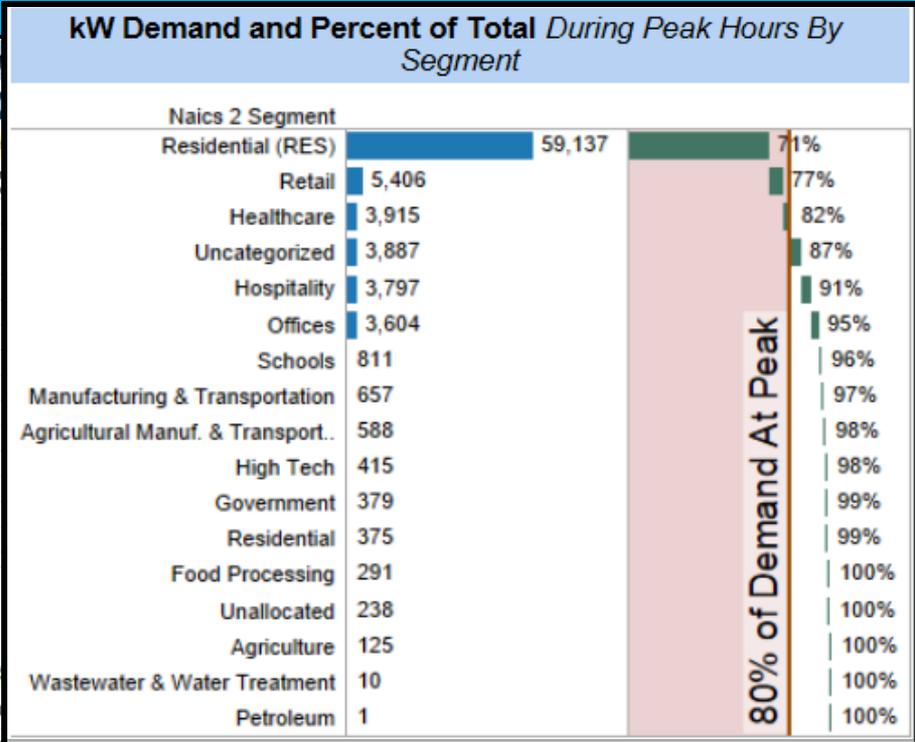
Customer Name

Feeder Filter

- Atlantis 9910
- Atlantis 9912
- Avalon 9910
- Avalon 9917
- Avalon 9919
- Camelot 9913
- Camelot 9914
- Cibola 9910
- Cibola 9917
- Elysian Fields 9910
- Elysian Fields 9917
- Metropolis 9919

Top 100,000 SP IDs By Coincidence

Customer Name	Naics 2 Segment	Assigned Rep	Demand Response
BRUCE WILLIS'S NURSING...	Healthcare		
THE OSBOURNES'S AMUS...	Hospitality		
LEONARD NIMOY'S NURSI...	Healthcare		Y
TOM HANKS'S EDUCATIO...	Schools	Maryanne B...	
RYAN O'NEAL'S OTHER IN...	Offices	Maryanne B...	
TOM HANKS'S EDUCATIO...	Schools	Maryanne B...	
CLIVE CUSSLER'S SOCIAL...	Healthcare		
DENZEL WASHINGTON'S ...	Uncategor...		Y
RYAN O'NEAL'S JUSTICE...	Governme..	Maryanne B...	
EDMOND O'BRIEN'S FOOD...	Hospitality		
ERSKINE CALDWELL'S RE...	Offices		
JAMES BROWN'S MOTOR ...	Retail	Stefan Stoc...	
L. FRANK BAUM'S ACCOM...	Hospitality		
DICK CLARK'S ADMINISTR...	Governme...		
MATT BIONDI'S SMALL BU...	Uncategor...		





# TDSM Lessons Learned

Ideally a targeted program would:

- allow for integrated (EE + DR + DG + ES + EV) product offerings if needed.
- allow for negotiable terms and conditions based on value provided
- allow for M&V that is location/customer specific
- incorporate pay for performance contracts with penalties for non-performance

Lack of avoided cost feedback needs to be addressed for targeted programs to be sustained. The inertia of existing program rules and M&V protocols is difficult to overcome. Under current programs rules, enhanced spending on targeted programs will likely lower overall CE of programs portfolio.

Low cost (or pay customers) combined with high touch marketing and installation can be very effective in moving the local market. A focused “campaign” approach with a local presence can be very effective (succeed/fail fast and double down/adjust tactics).

Contrary to initial thinking residential and small commercial can be more effective than large commercial/industrial (large commercial/industrial sales cycle is long and complex).