

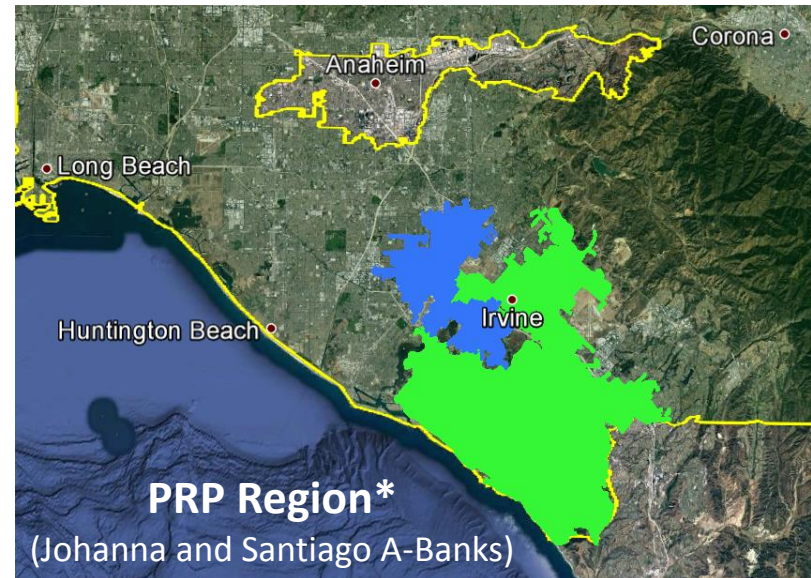
# Key Lessons Learned from Locational Targeting of EE and DR in SCE Service Territory

## IDER Advice Letter Workshop

July 10, 2017

# Objective

- Review and discuss key lessons learned from locational targeting of EE and DR in SCE service territory, primarily in the Preferred Resources Pilot (PRP) Region
  - The PRP is a multiyear study designed to validate the performance of DERs and their ability to offset growing load in the PRP Region in order to properly incorporate them into grid planning and operations.
  - PRP Region:
    - 204,000 residential accounts
    - 30,000 commercial and industrial accounts
    - 238 MW incremental load growth expected through 2022
  - Several DRP Demonstration and EPIC Pilots are also in the region.



*Municipalities in the study area, include all or parts of the cities of Irvine, Tustin, Santa Ana, Newport Beach, Aliso Viejo, Corona del Mar, Costa Mesa, Laguna Beach, Laguna Woods, Laguna Hills, Laguna Niguel, Lake Forest and Mission Viejo.*

# Lessons Learned from Locational Targeting of Energy Efficiency (EE)

- SCE tested a number of methods to increase the uptake of Energy Efficiency in the PRP region as approved in CPUC Decision D.14.10-046, including:

Method	Description
Enhanced Marketing for Deemed Measures	Targeted marketing campaigns for non-residential deemed programs, including Deemed Incentives Program, Direct Install, Non-residential HVAC, and Savings by Design.
Increased Customer Incentives for Customized Measures	Authorization for \$30/kW incentive for customized projects, in addition to \$150/kW base incentive. Note: Additional incentives were not provided for deemed measures.
Deployment of New Measures	Limited Offering for new, low-cost LED Tube retrofits. LED Tube measure subsequently rolled out to all of SCE service territory through Midstream Point of Purchase Program (MPOP) in 2017.

## Key Lessons Learned:

- Deemed Program uptake increased by 29 percentage points, more than customized projects, leading many to conclude that enhanced marketing along with new measures proved to be more effective than purely increased incentives.
- In comparison, Customized Program uptake increased by 17 percentage points, based on year over year changes.

# Lessons Learned from Locational Targeting of Demand Response (DR)

- Demand Response (DR) was identified as a key resource in the PRP portfolio design process. SCE estimated 81 MW of technically available DR in the PRP region.

Method	Description
DR – SCE Programs	Enrollment in programs, such as Capacity Bidding Program (CBP), Demand Bidding Program (DBP), Aggregator Managed Program (AMP), and others.
DR – PRP RFO 2.0	Procurement of Energy Storage (ES) backed DR products through the PRP RFO 2.0 solicitation.

## Key Lessons Learned:

- SCE witnessed no significant increase in SCE administered DR programs in the PRP Region.
- SCE has contracted for 74 MW of ES backed DR (ES-DR) in the PRP region, 65 MW of which were through the PRP 2.0 RFO. Dramatic reduction in battery costs have expanded the amount of DR available with minimal customer impact.

Questions?