

Commission Staff DSR Program Ideas for Residential & Small Business Customers

Possible Implementation in Summer 2002

- **X/X Customer Challenge**
 - Reducing usage by a set percentage in June, July and August results in a certain percentage savings on remaining kWh of generation used during those months.
 - Through price saving incentives, this program would target usage reductions throughout the summer peak period.
- **Electric Conservation Credit**
 - Reducing usage during a billing cycle below a baseline of 90% of usage in same month in prior calendar year results in X cents/kWh credit.
 - Through price saving incentive, this program promotes conservation throughout the year. Could be modified to target only summer months.
- **Time of Use Rate**
 - Special meter used to charge different rates for on-peak and off-peak periods during a 24-hour period. Example: 8 a.m.- 8 p.m. on-peak rate, 8 p.m. – 8 a.m. off peak rate.
 - Through continuous price signals, this rate would target usage reductions during standard hourly peak periods, but would not differ by seasons.
- **Time of Use Rate for Summer Months**
 - Special meter used to charge different rates during a 24-hour period throughout the summer months. Example: 6 a.m.-10 a.m. current rate plus x cents/kWh; 10 a.m.-5 p.m. current rate; 5 p.m.-9 p.m. current rate plus x cents/kWh; 9 p.m.-6 a.m. current rate minus x cents/kWh.
 - Through price signals, this rate would target usage reductions during standard peak periods during the summer months.
- **Demand Meter**
 - Different rates charged, depending upon the level of peak demand within a certain month.
 - Through charging customer more for higher (than historical) demand levels, and less for lower demand levels, this program encourages reductions in amount of demand being placed on system at any given time.
- **Interval Meter**
 - Interval meters are installed to measure hourly usage and customers are given real-time pricing information for certain hours.
 - Through sending specific price signals to customer, the utility would be encouraging load reductions during high-price peak periods.

- **Seasonal Shopping Credit**
 - A small group of commercial customers are permitted to participate in pilot program over the course of one or two years that utilizes seasonal shopping credits, so that the price to compare is higher than average during high-cost periods and dips below average in low-cost periods.
 - Through sending general price signals to customer, the utility would be encouraging load reductions during summer months.
- **Energy Efficiency Programs**
 - Customers purchase or receive more efficient appliances, such as air-conditioner, florescent bulbs, heat pumps or refrigerators and receive a flat credit on bill, such as \$X/month, or a rebate on the purchase of these appliances.
 - Through credits toward new appliances, customers are encouraged to use energy more efficiently, thereby reducing their overall usage at all times.
- **Direct Load Management Programs**
 - Customers agree to on-call load reductions that permit the utility to control their air conditioning unit, in exchange for a lump sum payment incentive to sign up and/or a credit on monthly bill (\$6-9). Involves installation of special equipment in meter.
 - Any over-ride ability would be subject to payment of penalty. For instance, customer could be offered an additional lump sum payment at conclusion of program that is reduced each time controls are overridden by customer.
 - Through obtaining control over AC units, in exchange for monetary benefit to customer, utility would have ability to reduce load during specific peak periods.
- **Smart Thermostat**
 - Thermostat is installed in customer's home that utility and customer can remotely control. Utility could adjust thermostat setting during peak usage periods or defined events, in exchange for X cents/kWh credit on customer's bill. Customer could override change and forego credit for that event.
 - Through financial incentive to customer, utility would have capability to control thermostat settings during peak situations.
- **Voluntary Load Reduction Programs**
 - Utility requests load reductions at certain times. If customer reduces load, a credit is applied to monthly bill.
 - Through financial incentive to customer, utility would encourage reductions during peak situations.
- **Other General Ideas**
 - Utilities should examine existing rate schedules that are closed to new customers to determine whether rates could be re-opened, as modified to correct any earlier concerns or problems with the offering.
 - Utilities should consider expanding eligibility criteria of programs being offered this summer to include commercial customers, as well as small and medium industrial customers.