



Understanding the Value of Dynamic Pricing

Integrating Efficiency, Demand Response and Renewables

*Program Development and Outreach
Demand Response Research Center
Lawrence Berkeley National Laboratory*

DRRC
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GridEcon 2009

Demand Response System Requirements



Eight Specific Design-Performance Requirements

	Requirements	Description
Incentives	1. Performance-Based Incentives	<ul style="list-style-type: none"> • Incentives embedded in the rate • Customers not paid to participate.
	2. Retail-Wholesale Integration	<ul style="list-style-type: none"> • Rates integrate time differentiated retail-wholesale costs
Operations	3. Dispatchability	<ul style="list-style-type: none"> • Demand response is automated and dispatchable.
	4. Ubiquitous Availability	<ul style="list-style-type: none"> • Demand Response available on all circuits • Capacity and energy are inseparable – Efficiency and Demand Response a condition of service for all customers.
	5. Customer Choice	<ul style="list-style-type: none"> • The customer determines what, when and how to control facility loads.
	6. Simultaneous Economic and Reliability Options	<ul style="list-style-type: none"> • Customers can simultaneously participate in day-ahead economic and real-time reliability options.
Costs	7. Market-based Technology	<ul style="list-style-type: none"> • Customers can acquire demand response systems and equipment • open market wholesale and retail suppliers.
	8. Integrated Demand Response, Efficiency, and Renewables	<ul style="list-style-type: none"> • Incentives and operations integrate DR, EE and renewables.

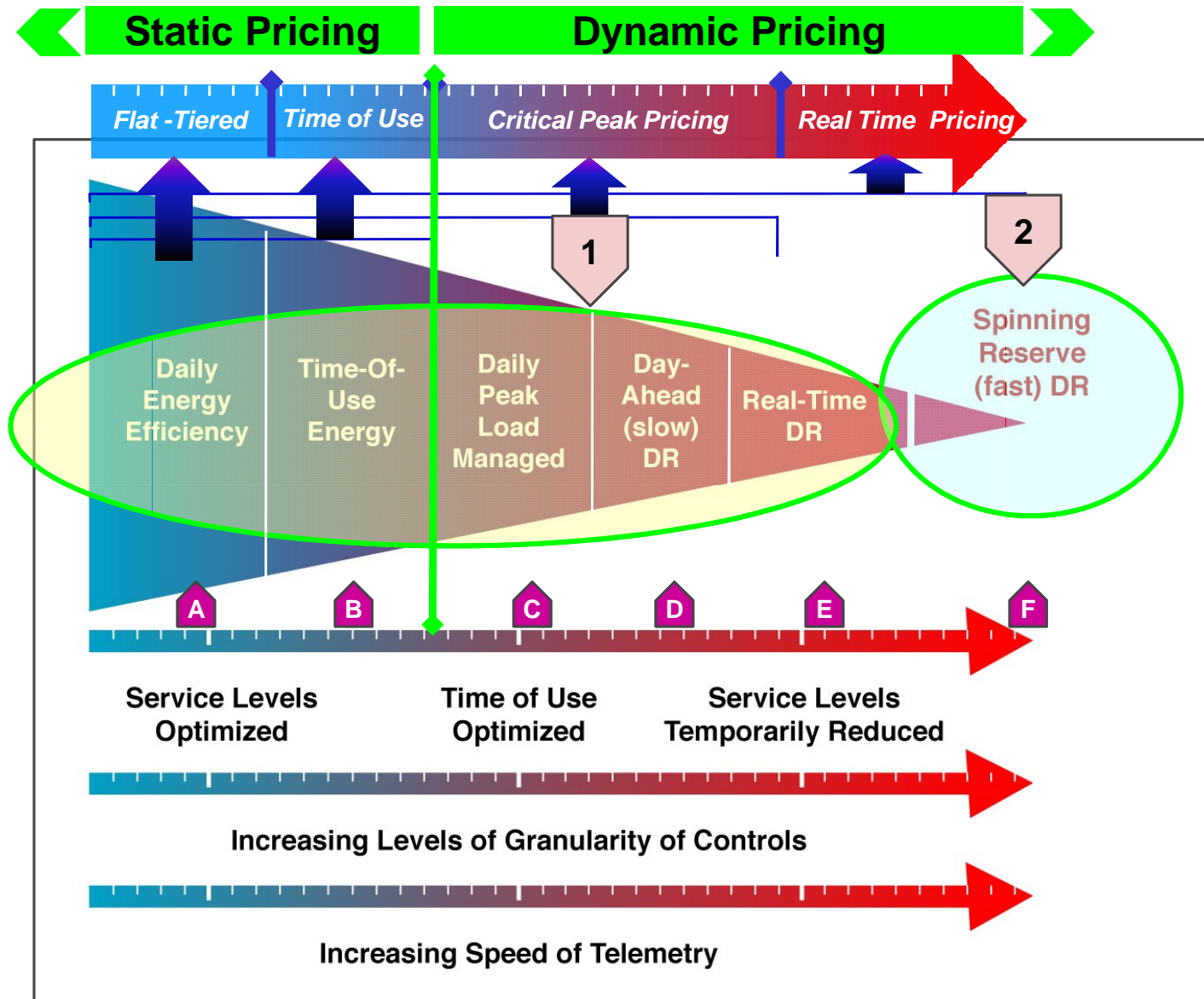


Dynamic Pricing - Linking Efficiency, DR & Renewables

Technical, Commercial, Rate and Policy Impacts



Rate Design



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