

## **ACEEE Third National Conference “Energy Efficiency as a Resource”**

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*“NY Approaches to Energy Efficiency”*  
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## **Demand Response – Why So Important?**

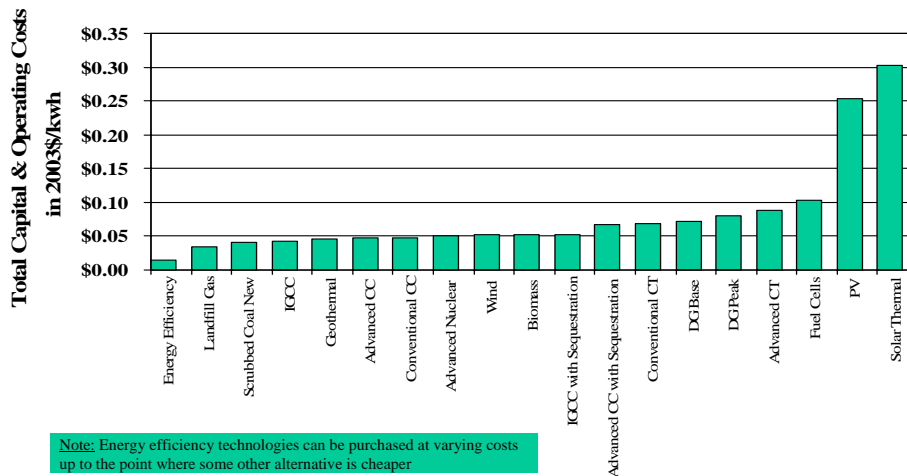
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- **Transforms markets for efficiency & demand response**
  - **Market participants count on uniformity statewide**
  - **Independent agent allows for flexible and responsive programs**
  - **Utilities can focus on core mission of T&D**

## WHAT ENERGY EFFICIENCY/DEMAND REDUCTION BRINGS TO THE TABLE

- Applies to nearly all sectors and sizes of users
- Technology can be applied to direct benefit of user
- Persistence of savings represents continued opportunity
- As demand rises and generation remains constant EE/Demand Reduction provides additional options
- Promotes economic opportunity

## Alternative Electricity Generation Technology Costs

(Total Life-Cycle Costs for a 500 MW resource block)



## NYS Coordinated Demand Reduction Program – A Successful Partnership

- NYSERDA – NYPA – LIPA (Established 2001)
- Coordinated Electricity Demand Reduction Initiative Working Group: NYSERDA, PSC, NYPA, LIPA, DEC
- Instrumental During Blackout of 8/03



## New York Statewide Coordinated Demand Response

### Program Objectives:

- Control and reduce load pockets
- Enable customers to participate in emergency programs
- Educate public on energy efficiency/shift consumption off-peak
- State Agencies/Authorities included in Program



## Four Ways for NY Businesses to Participate

- Permanent Demand Reduction Efforts (PDRE)
- Load Curtailment Shifting (LC/S)
- Dispatchable Emergency Generator Initiatives (DEGI)
- Interval Meters (IM)



## Peak Load Reduction Incentive\* Levels

- PDRE: Down = \$475 kW – Up = \$225 kW
- LC/S: Down = \$175 kW – Up = \$45 kW
- DEGI: Down = \$125 kW – Up = \$0
- IM: PSC – approved = \$2,500 per meter  
NYISO compliant = \$1,200 per meter  
(Utility Grade)



\* Up to 70% of eligible project costs;  
\$735,000 per facility cap

## Coordinated Demand Reduction in NYS

**NYSERDA Total Program Costs - \$396.8 million**

**NYSERDA Incentive-Only Costs - \$274.3 million**

**CDRP KW reduced - 1,780,000**

**707,000 permanent measures**

**1,073,000 callable**

## Load Management Through Energy Efficiency

- Period ending 7/31/05 NYSERDA Program was responsible for more than 690 MW of permanent load reduction
- All totaled the CDRP was responsible for more than 1,780 MW for the same period:

Upstate = 721 MW

New York City = 563 MW

Long Island = 496 MW

## Consolidated Edison Electric Rate Case Settlement *System Wide Demand Reduction Program*

- 150 MW is Goal
- \$112 Million
- 3-ways: Energy Efficiency, DG/CHP, Load Management (Callable)
- Period = 4/05 thru 4/08
- Implementation Plan to be Submitted to PSC 10/05



THANK YOU

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President

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