



U.S. Department of Energy

OAK RIDGE NATIONAL LABORATORY

CHP Subcontractors Coordination Review Meeting



April 14, 2005
Energetics, Inc.
901 D. Street, SW
Suite 100
Washington, DC

Name of Contract and Subcontractors

DG and CHP Synergies

Project Title: DER Stakeholder
Collaboration at Work: Shaping a
California DER Procurement

Distributed Utility Associates

Susan Horgan and Joe Iannucci

Description of Task(s)

Objective: provide Southern California Edison decision makers with input on policy and market development opportunities to encourage DER integration where it brings value to both customers and the grid

- *Transfer process to other CA RFPs*
- *Approach*
- *Participate in the stakeholder process*

Description of Tasks

- **Help DER providers understand SCE planning area needs**
- **Help SCE develop an RFP that yields successful proposals**
- **Scale to other parts of CA or states**
- **Monitor results and report**

Issue Papers

- Assisted in the drafting papers for California Energy Commission to consider discussing with California Public Utility Commission to help overcome barriers
 - DG Soft Start
 - SGIP Eligibility
 - RFP Target Price

Initial Achievements Developing a Successful DG Solicitation

Topics	Initial Status	Current Status
Model for successful DG solicitation	Initial response and proposal from CA IOUs to CPUC Order did not address all stakeholder needs or capabilities	E2I stakeholder-driven process engaged participants in defining needs, recognizing co-parties' needs, & seeking common ground
Communication among stakeholders	Participants wary, skeptical that progress could be made	Participants openly communicate, listen, share & address problems jointly
Reliability requirement	"Physical assurance" requires customer to drop its load whenever DG is down – 24 x7	Customer commits only for utility's peaking, 200-400 hours/year, forecasted in advance by month, hours of day, etc. with provisions for DG maintenance
Utility distribution planning process	Non-utility participants knew little about utility planning	Non-utility participants better understand utility service obligations, planning horizons, uncertainties, investment process

Additional Achievements

Topics	Initial Status	Current Status
Recognizing multiple DER values	Utility unaware of importance to DG providers; would have foreclosed multi-program participation	Customers / providers may be able to receive value from other programs for generation-related benefits
Overall project risk	To be borne almost entirely by DG customer / developer	To be allocated between utility and DG customer / developer as necessary to elicit win-win responses
Confidentiality issues	Utility cautious about sharing information about system costs, needs or customers	Two-step process to qualify respondents & require non-disclosure agreements to limit recipients of sensitive information
Matching DG providers & utility customers with potential host sites	Utility had not identified the need to assist	Utility willing to invite customers to request to be contacted by qualified respondents

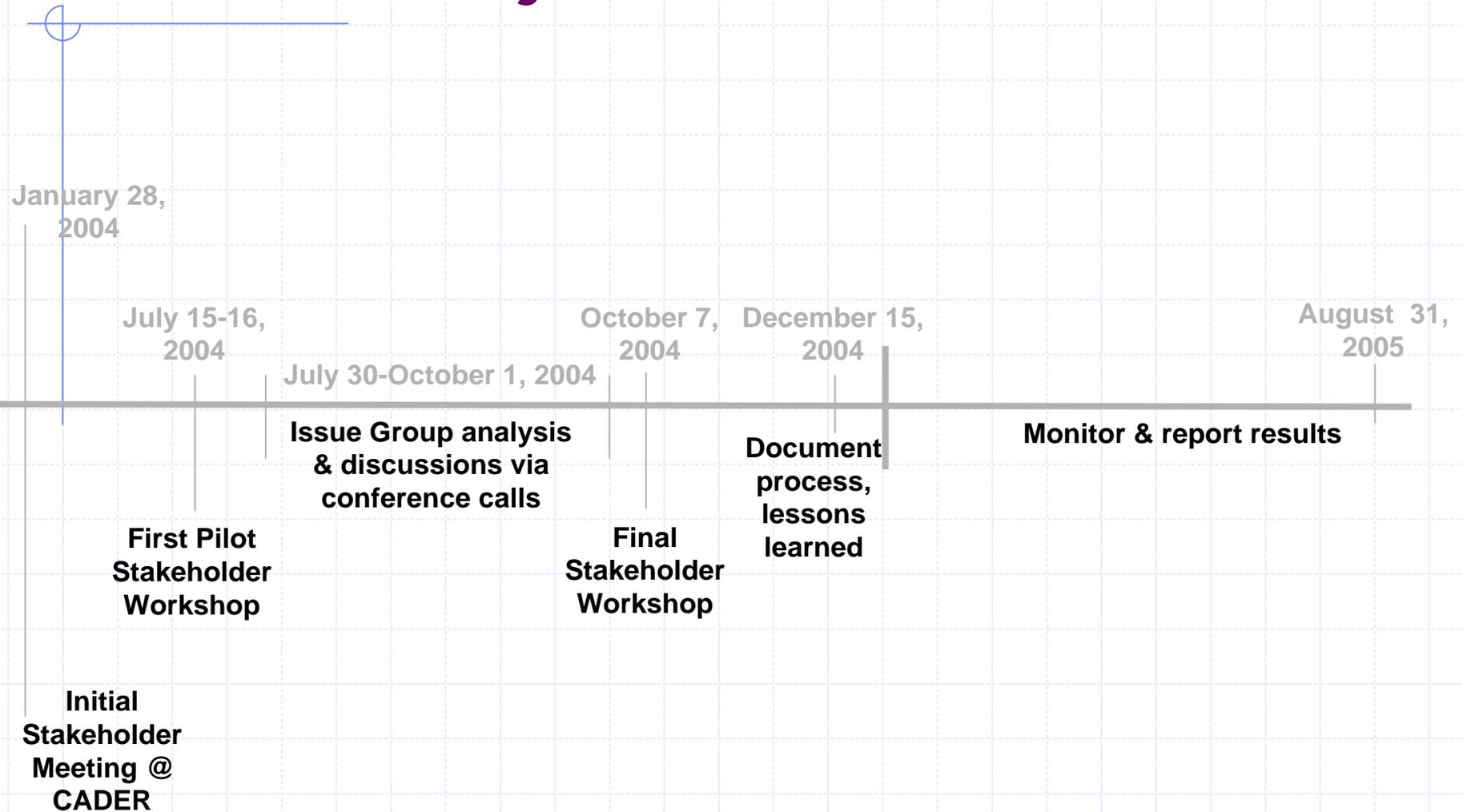
Stakeholder Workshop

- Participate in (final) discussions on each issue area to provide input to SCE
- Participate in discussion on the process
 - What worked, what didn't, what was missing
 - What would be valuable for stakeholders to do next

Description of Progress Against Task(s)

- Joe Iannucci was invaluable to this process, all tasks are complete EPRI final report in draft
- *Finalization of the RFP process for SCE is underway as of 12/31/04*

E2I Pilot Project Timeline



Additional Important Dates

- CHP Market Assessment Workshop April 28
- 2005 Distribution System Planning Workshop April 29
- 2005 Staff Recommendations on CHP Issues and Distribution Planning publicly released in IEPR White Paper on achieving the Preferred loading order June 2005 IEPR
- Committee Hearing on White Paper on achieving the Preferred loading order July 2005 IEPR
- Final Recommendation on Loading Order Issues publicly released in Final IEPR Policy Paper October 2005

FY03 DUA Deliverables and Availability

- *DUA participation in several meetings during the project's development phase*
- *Briefings and short summary reports*

FY03 Project Deliverables and Availability

Developed tools to enable stakeholder-driven DER integration programs

- **E2I/EPRI Report 1011026 [A Framework for Developing Collaborative DER Programs: Working Tools for Stakeholders: Report of the E2I Distributed Energy Resources Public/Private Partnership](#)**
- **Reports available to the public for download at http://www.e2i.org/e2i/der_partnership/partnership.html**

Coordination with Stakeholder Groups and Other Project Teams

- *Joe Iannucci: significant influence on the formation of and coordination among diverse, broad-based stakeholder group*

Coordination with Stakeholder Groups

▪ Developers

- Kevin Best, Real Energy
(Sub: Robin Luke)
- Tom Drolet, DTE Tech
(plus H. Asgeirsson and R. Seguin)
- Chach Curtis, Northern Power Systems
- Jeff Lines, US Power
- Gordon Savage, Simmax Energy

▪ Suppliers

- Tod O'Connor, STM Power/Solar
- George Wiltsee, Ingersoll-Rand
- Eric Wong, Cummins
- Kevin Duggan, Capstone
- Bob Bjorge, Solar Turbines

▪ Customers/Customer Representatives

- Justin Bradley, SVMG (Sub: Jeff Byron)
- Howard Choy, LA County ISD
(Sub: Steve Crouch)

▪ Southern California Edison

- Stephanie Hamilton, Tom Dossey
- Ishtiaq Chisti, Dan Tunncliff, Lynn Ferry, Erik Takayesu, Brian Stonerock

Advisors

- Valerie Beck, CPUC
- Mark Rawson, CEC
- Nag Patibandla, NYSERDA*
- Valerie Harris, CPS San Antonio
- Fran Cummings, Mass Tech Collaborative
(Sub: Gerry Bingham)
- Tony Prietto, SDG&E
- Sephir Hamilton, CHG&E
- Eileen Buzzelli, First Energy
- Pat Hoffman, DOE.
(Designee: Joe Ianucci)
- Jim Armstrong, NStar Electric and Gas Corp
(Invited by Mass Tech Collaborative)

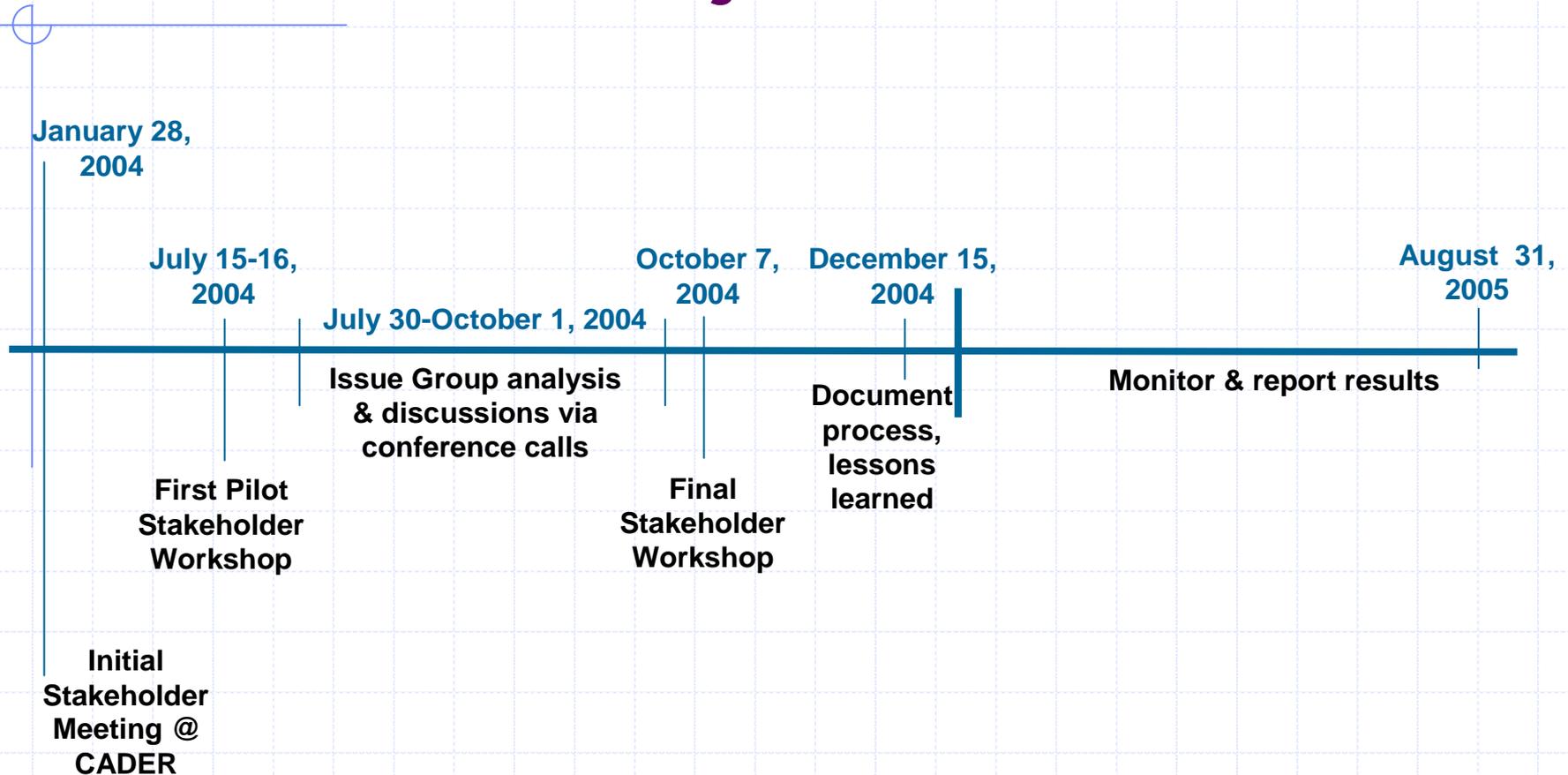
E2I Pilot Project Team

- John Nimmons, Nimmons & Associates
- James Torpey, Madison Energy Consultants
- Snuller Price, E3
- Dan Rastler, EPRI
- Ellen Petrill, E2I

FY04-05 DUA Timeline

- *Most DUA accomplishments in 2004*
 - *Develop framework for developing the RFP*
 - *Develop and coordinate stakeholder team*
 - *Develop proposed RFP process*
 - *Final Draft of Report*
- *2005*
 - *Participate in workshops April, 2005*

FY04-05 RFP Project Timeline



Questions?

