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Evaluating the cost-effectiveness of DR programs/tariffs: Questions for Pacific Northwest utilities

- Conceptually, do you distinguish among different types of DR resources in your resource planning process? If so, how and what is the framework used (e.g. Firm and Non-Firm)?
- What kind of analytic process does your utility use to select DR programs/pricing tariffs (e.g., screening analysis vs. resource portfolio planning)?
- In valuing the potential benefits of DR programs, how does your utility account for short-term vs. long-term benefits?
 - Are long-run avoided costs a reasonable basis for cost-effectiveness screening analysis?
- What are the various benefits and costs of DR programs/tariffs that you account for in your analysis?
 - Reliability, economic, other (e.g. environmental)
 - How is risk treated in the valuation of costs/benefits of DR?
 - Are DR resources considered analogous to supply-side resources in the cost-effectiveness analysis?
- Does your utility account for the variability in availability of DR resources during system events? (e.g., the same DR resource may perform differently during various events)?
- Are there any significant benefits of DR resources that are not captured in your existing evaluation methods?
- What role do you think pilot programs play for your utility in refining estimates of DR program costs and benefits? What types of policies could state PUCs adopt that would encourage utilities to conduct DR pilots?
- For dynamic pricing tariffs/strategies, how should or does cost-effectiveness factor into your decision to offer a voluntary tariff for a group of customers? Should cost-effectiveness guidelines be different for an “opt-in” vs. “opt-out” dynamic pricing tariff?

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