



November 22, 2024

NECPUC Demand Response and Load Flexibility Working Group
P.O. Box 9111
Essex, VT 05451

Re: Need for Consistency in Program Design across the Region

Dear Chairman Phil Bartlett and the NECPUC Demand Response and Load Flexibility Working Group,

CPower appreciates the opportunity to provide comments on the value of program design consistency across the region.

As CPower noted in its August 30, 2024 comments, consistency in program design across states is desirable and would support more robust program participation because it would reduce complexity, administrative burdens, and costs.

Responses to Questions

1. What are the common elements that should be considered in program design and/or as operational requirements for new programs.

Program design elements for which it would be beneficial to have consistency across states include program structure, dispatch regime, performance measurement, enrollment, meter data submittal, and settlement.

Program structure includes the general requirements for the program (e.g., respond to up to 7 dispatches per season) and payment structure (e.g., pay-for-performance with no punitive penalties for underperformance). Having consistency across these parameters makes it easier for commercial customers who operate across multiple states to understand the expectations and participate across multiple states. This improves the customer experience and simplifies the customer education process.



This type of consistency also creates efficiencies and economies of scale for Curtailment Service Providers (CSPs).

It is also helpful to have consistency on dispatch triggers and timing between states, although we recognize that there may be instances in the future where differing dispatch parameters between states or geographic areas may make sense. Having consistent dispatch triggers and timing makes it much easier for multi-state customers to understand the expectations and provide the desired performance. It also simplifies processes for the CSPs.

Performance of demand response measures is generally measured against a baseline. Consistency on how this baseline is constructed and what constitutes performance is helpful because it reduces administrative complexity and simplifies the education process for the customer.

Other areas where consistency across states is helpful include enrollment methods, meter data submittal, and settlement. Having consistency across these parameters helps create internal efficiencies for CSPs and improves customer experience.

All that said, we recognize that while consistency in program design across all six New England states would be ideal, it may not be fully achievable. CPower currently provides curtailment services across all six of the New England states. While some of the states offer programs with many common elements, others do not. Nevertheless, we have been able to navigate through these differences and provide customers with a satisfactory experience. Moreover, we are in favor of making programs more user-friendly and adaptable and would not want the goal of consistency to interfere with individual states making improvements along those lines.

2. Of these elements, which program design elements and/or operational requirements are most important to prioritize?

Consistency across all of the elements discussed above would be helpful. That said, the highest priority should be to establish consistency across program structures. As noted above, structures that differ significantly between states create confusion for commercial customers who operate across multiple states and make it more difficult



for them to understand the expectations. It also creates inefficiencies for CSPs. The second highest priorities should be common performance measures and dispatch regimes; making these elements consistent across states would also help improve the customer experience and encourage participation.

3. What are the barriers to operating programs in multiple jurisdictions, and what types of program design standards would be most helpful in overcoming them?

As noted above, CPower participates in programs across multiple jurisdictions today. Consistent program design across jurisdictions would simplify participation and allow us to reach more potential customers. That said, some of the more significant barriers to participation that we have encountered in various regions are lack of adequate incentives and/or budgets. We believe these are “first order” barriers. Lack of consistency in program design is more of a “second order” barrier. Lack of consistency in program design creates more administrative complexity and confusion, and this is a disincentive to participation for some customers.

4. Beyond addressing the barriers identified in response to the above question, what are the benefits of improved regional standardization of demand response/load management programs? Describe and define any benefits and provide examples to the extent possible.

Improved regional standardization of demand response programs will create efficiencies in implementing programs and educating customers; this will translate to improved customer experience and more robust participation.

Conclusion

CPower appreciates the opportunity to provide these comments on the value of program design consistency across the region. We look forward to continuing to work with the Working Group to develop a framework that will aid state regulators in



developing programs that can most effectively address challenges related to winter energy adequacy and peak demand growth.

Sincerely,

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