

# Economic Demand Response Sub-Group UPDATE



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## Economic DR Objectives

1. Reliably predict uptake (MW) by hour
2. Compensate curtailment in an appropriate manner
3. Standardized and efficient measurement and verification
4. Full understanding and management of price/response feed-back loops
5. Develop a series of complementary DR Programs in concert with Reliability products
6. Determine pricing, procurement and implementation strategies

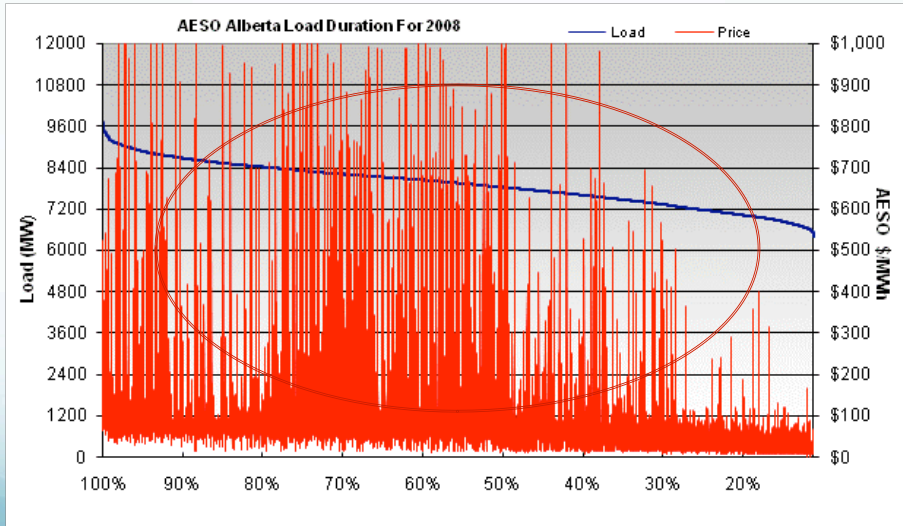
## Scope of Work

- Conduct **market analysis** to determine the value and appropriate timing and quantity of Economic DR; and
- Conduct a consultation to develop **product design alternatives**, including design work on: contracts, pricing mechanism, and rules governing contract performance and pricing elements.
- Design work would be completed as part of a **comprehensive DR plan** for the Alberta Market, giving consideration to costs to implement, benefits and impacts.

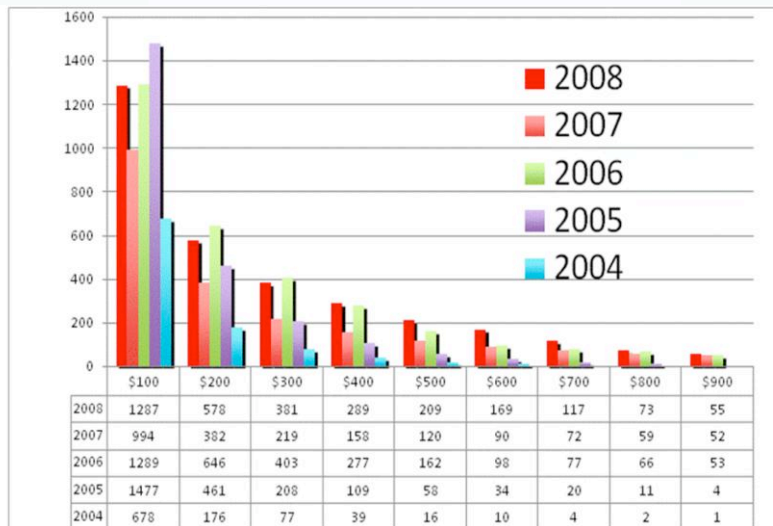
## Sub-group Members

Entity	Individual
IPCAA	Sheldon Fulton Vittoria Bellissimo
ADC	Colette Kearn
UCA	Ron Henderson
PICA	Raj Retnanandan
AESO	Laura Letourneau Paul Barry Matthew Davis
IPPSA	Evan Bahry
TCE	Jim Paton

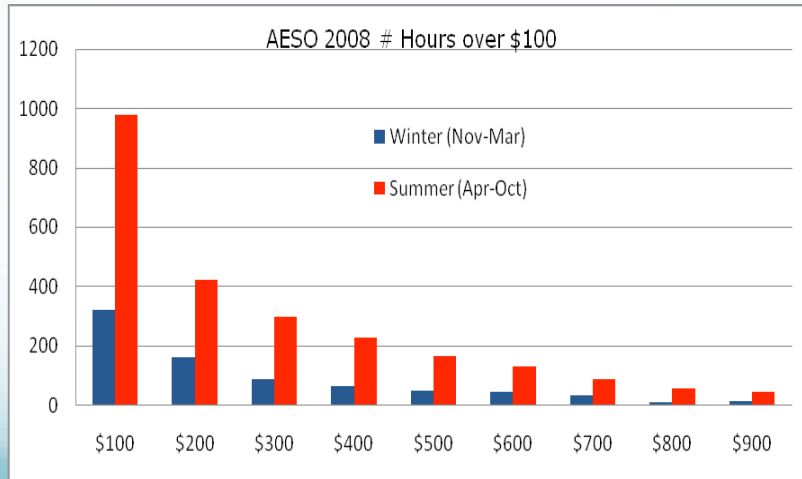
## 2008 Load/Price Duration Curve



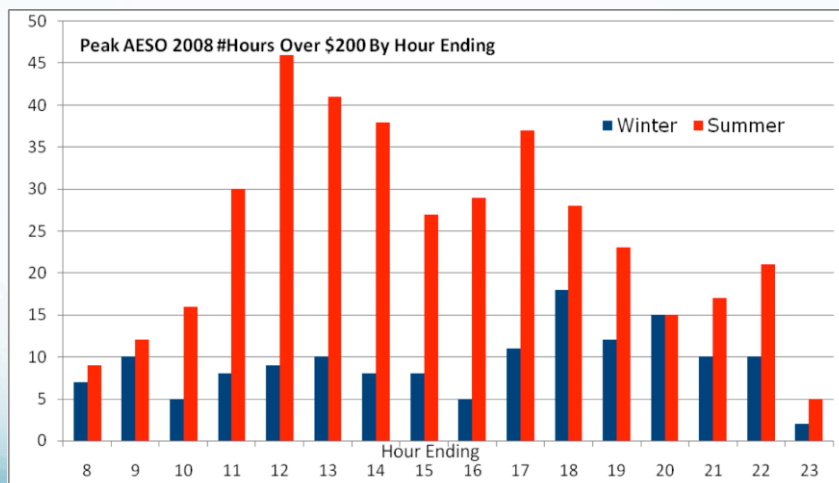
## Market Analysis



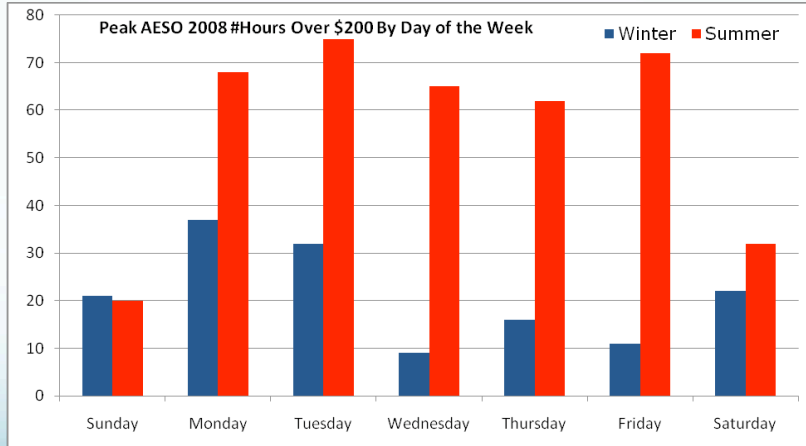
## Market Analysis - 2008



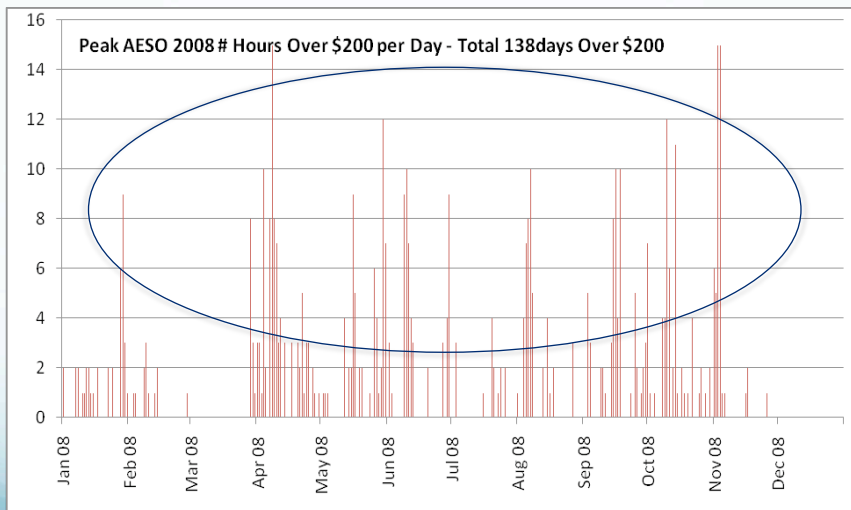
## Market Analysis - 2008



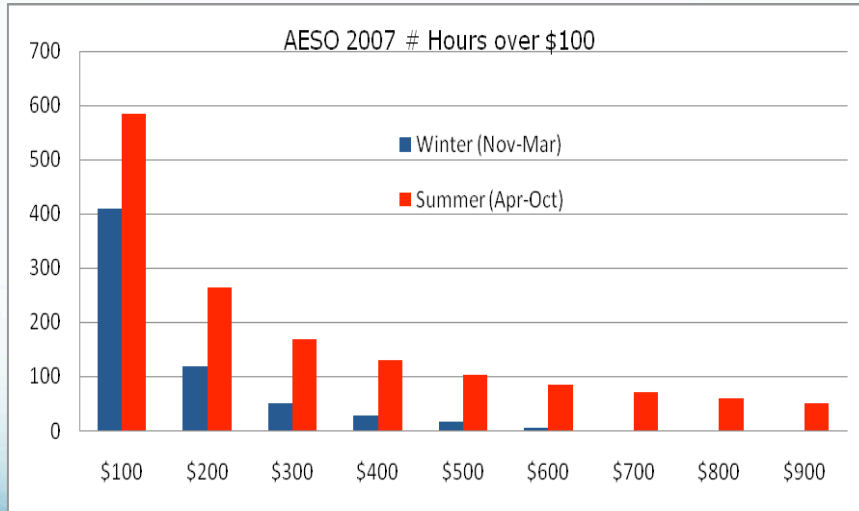
# Market Analysis - 2008



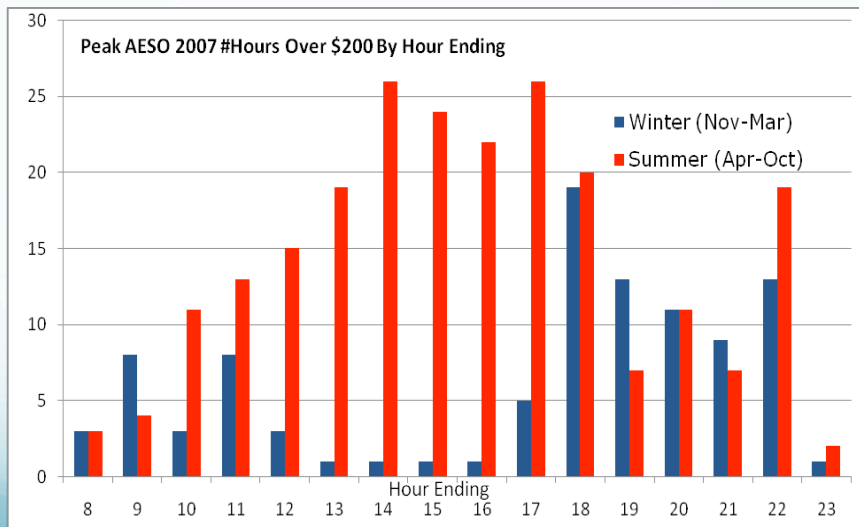
# Market Analysis - 2008



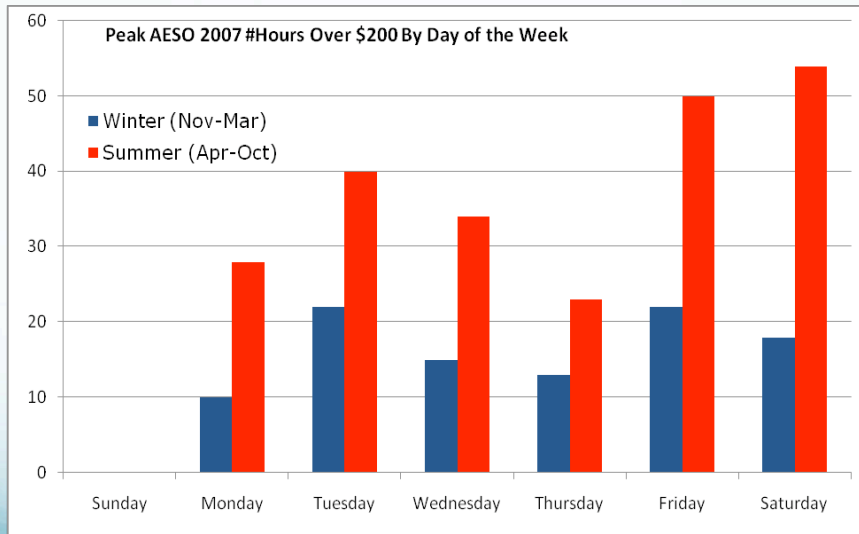
## Market Analysis - 2007



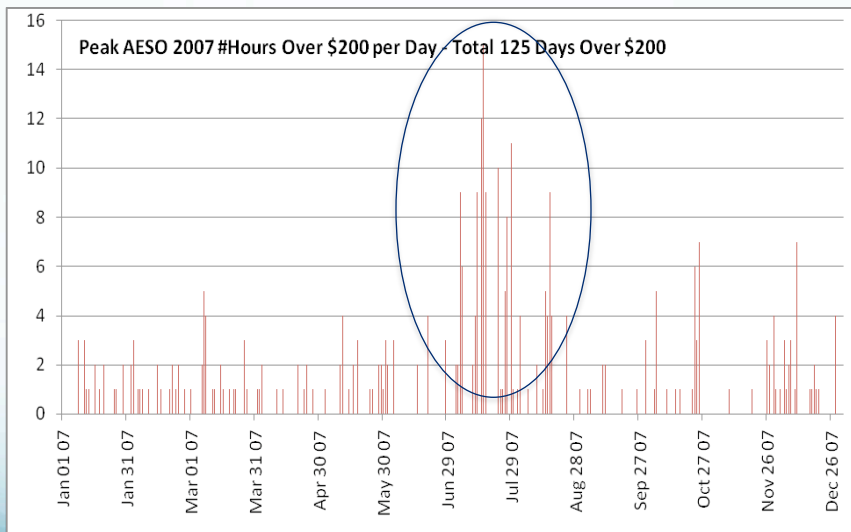
## Market Analysis - 2007



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# Market Analysis - 2007



## Key Lessons

- Price predictability is limited
  - Seasonal / Day-of-week / Hourly / Base-Peak-Super-Peak analysis has been conducted to date
- Super-peak does not result in highest priced hours
- Alberta may not need sustained blocks of DR, as needed in eastern North America, because price spikes are not long in duration
- Most likely price predictors are coal outages and wind contributions

## Questions?

Please feel free to contact **IPCAA** at:

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