### ATTACHMENT IX-A

ATTACHMENT IX-A:	Demand Response Program
Recommended Motion:	Approve Demand Response Program with NRG for a five- year contract.
Recommended Action:	Approve the Motion

The district has an opportunity to contract with NRG or Direct Energy for a Demand Response program. This program is funded by PJM, which is a regional transmission organization that coordinates the movement of wholesale electricity. The Demand Response program asks the district to reduce their energy usage once or twice a year in exchange for cash reimbursement for that reduction.

NRG provides 70% of the saving from the reduction of energy to the school district as a revenue. They cover the cost of any equipment needed for the district to run the program. It is being recommended that the district collaborate with NRG and begin the process to determine a Demand Response program for the district.

Demand Response North Boone CUSD 200 Board of Education Updated January 2020

### Reduction

- Create a plan with company on when and what to reduce
- We would typically be asked to reduce one time a year for about an hour (typically in the summer but could happen in winter)
- Can reduce full, partial or nothing depending on situation
- Generators can be used as a back up but not all are compliant.

### Potential Revenue from NRG

### 70% (~\$1,500 tp \$6,000)

\*All equipment and meters are paid for by NRG

Potential Revenue from Direct Energy

### 75% (~\$1,500 tp \$6,000)

\*All equipment and meters are paid for by the District (deducted from our initial revenue)



### Terms

\*5 year contract

\*We get about 70% -75% of the revenue and the company keeps about 25- 30%

\*Even if we cannot reduce power we are still enrolled in the program It's a no-cost, best efforts reduction program that asks participating sites, such as schools, to reduce power during unusually high peak times on the grid.



### **Program Partners**

PJM (grid operator and responsible for revenue for project)

Program run by

\*NRG Curtailment Solutions, Inc.

\*Direct Energy Business

## Funding

### PJM is the funding source for this initiative.

PJM is a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia.



### Process

- <u>Track</u>: install meter to monitor and record energy data.
- <u>Plan</u>: Create a reduction plan with company and North Boone
- <u>Alert</u>: Company will alert North Boone of a grid crisis or a planned 'test' (30 mins to 2 hours ahead of time)
- 4. <u>Implement</u>: If possible North Boone would implement reduction plan

- <u>Measure</u>: The reduction plan performance would be measured against previous baseline.
- 6. <u>Reward</u>: At the end of the Demand Response season District receives payment.

# Highlights

- \*No penalties associated with the program
- \*No cost to enroll (Possible cost for equipment)
- \*Reduce power that the District is comfortable and capable
- \*District will have access to dashboard to monitor kw demand
- \*Have a Reduction Action Plan

### Questions?

Next step: Pick and approve provider

-Set up plan for reduction