



June 15, 2016

Tina Jayaweera
Senior Energy Efficiency Analyst
Northwest Power & Conservation Council

Re: Demand Response Advisory Committee

Dr. Jayaweera,

As an experienced demand response provider for over 15 years, in addition to over 30 years of energy efficiency implementation, Honeywell Smart Grid Solutions appreciates the opportunity to provide input to stakeholders in the Pacific Northwest regarding the Demand Response Advisory Committee.

My team concurs with the Council's direction that the demand response discussion convene separately from other smart grid-related endeavors (ie storage, systems integration & etc.). Many of those technologies are not as mature in the market, which may increase complexity and potentially inadvertently delay action.

The scope that the Council has drafted for the committee looks relevant for the current stage that the Pacific Northwest is in for the approach to developing demand response. We respectfully encourage the committee to consider the following factors:

- Leverage experience from a variety of stakeholder types in the region, including utilities, industrial rate-payers and experienced demand response implementers.
- Promote the use of open protocols for technology, existing industry standards and encourage engagement into groups like the OpenADR Alliance or similar associations. Encourage the use of tools that obtain load-shed results in a simple manner.
- Inspect arbitrary contractual elements that may exist as a barrier between wholesale and distribution entities so that the operational impact of demand response is fully realized.
- Encourage a flexible, multi-party and multi-faceted approach to demand response, not a one-sized fits all strategy where there is a sole entity in the region providing service. Since there is an array of generation resources and operational settings, policy should be aligned so that the various parties can pursue precise opportunities that meet their own specific needs. If parties find a joint-provider mutually beneficial, allow the pursuit of a cost-share strategy.

- Promote an integrated implementation approach that includes energy efficiency as a return-on-investment component.
- Assess demand response projects in other areas of the country and develop a list of potential target-assets in a variety of customer segments to guide the region on pursuit opportunities. Encourage regional parties to develop dual potential and order of magnitude assessments for end points that effect both Winter and Summer peak periods.
- Suggest that parties look to solutions that provide load shed to multiple customer segments, including residential, commercial and industrial. Also, encourage consideration of attractive customer incentives to motivate market participation.

Honeywell Smart Grid Solutions is happy to assist stakeholders as demand response takes shape in the Pacific Northwest. We will be participating in a number of related events coming up around the region. Likewise, we are willing to provide perspective based on our demand response program design and implementation experience in other areas over the years.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey M. Beale". The signature is written in a cursive style with a large, prominent 'J' and 'B'.

Jeff Beale
Utility Consultant
(612) 209-4107
jeffrey.beale@honeywell.com