

# DEMEC Demand Response Program

DEMEC and its nine members work with residential and commercial electric customers to voluntarily reduce energy consumption during peak energy usage times. These efforts attempt to reduce customer electric costs.

## **Why We Take Action:**

DEMEC's program saves the municipal electric utility and most importantly its customer's money. During peak energy times the cost of power is very expensive so if steps are taken to reduce energy the result is a Win – Win for everyone. Your utility supports these efforts because purchasing wholesale power at peak times results in highest prices which costs everyone more money. By cutting back on the amount of wholesale power purchased during these peak, high-priced periods, DEMEC can reduce your utility's wholesale power costs. Reductions in wholesale power costs can then be passed through to customers in the form of lower electric bills.

## **When Do We Take Action:**

Peak periods generally occur when the weather is at its most extreme and many customers are using either their air conditioners or heaters. The demand for electricity in the summer months is highest during extremely hot temperatures; typically, the peak period is from 2 p. m. – 6 p. m. Demand in the winter months is greatest during extreme cold temperatures, especially between the peak periods of 7 a. m. – 10 a. m. and 7 p. m. – 10 p. m.

## **How We Take Action:**

DEMEC monitors the weather daily for extreme events. When the potential for an extreme event is found DEMEC uses sophisticated models to determine when customers should be asked to reduce electric load. Forecasts are typically given about 24 hours in advance of an upcoming peak and preparation are made to notify customers. DEMEC uses a combination of the municipal notification systems, contractor support, website and social media to notify customers.

## **How the Public can Participate:**

In general one only needs common sense when thinking about how to use energy resources wisely. For the general public we ask that customers to consider reducing their energy usage by:

- Shutting off lights when not needed;
- Unplug small appliances and electric chargers (especially those with small lights);
- Set the thermostat as high in the summer and as low in the winter as comfortable;
- Cover drafty windows;
- Turn off televisions, computers, radios, and other electronic devices when not being used; and
- Do laundry and other household chores requiring electricity during non-peak hours.

## **How Businesses can Participate:**

DEMEC partners large key account customers to shed load during peak periods. Demand Response key account customers are those customers that generally have large electric load usage during peak periods. Having these partners reduce load during peak periods can have a big impact on saving the community money and as such the regional grid provides them incentives. If you are a business interested in participating consider both the Active and Passive program options.

## **Active Program Customer Obligation:**

Customers must actually reduce electric load when called by PJM or DEMEC during the program period.

- Program Performance Period: June through September; 12pm to 8pm; Non-Holiday Weekdays
- Maximum Reduction Period: Up to 10 reductions for a maximum of 6 hours each
- Response Time: Must occur as soon as possible or within a given timeframe following dispatch from PJM or DEMEC, generally 30 minutes
- Minimum Participation Level: 100 kW of load must be capable of being shed by the participant

**Active Demand Response Resources:** The following are examples of demand response onsite resources that may assist customers with curtailing load during reduction periods.

- Manual or Automatic Load Drop (Breakers Flipped)
- Energy Management Systems
- Lighting Controls
- Backup Generation (if properly permitted)
- Ice Storage Systems

## **Passive Program Customer Obligation:**

Customers must permanently reduce electric load through energy efficiency improvements that can be quantified and that would normally be part of the customer's electric load during peak periods. Customers may enroll previously completed that are no older than 3 years.

**Passive Demand Response Resources:** The following are examples of demand response onsite resources may be improved by replacing existing technology with new more energy efficient products.

- Lighting Improvements - LEDs
- HVAC Upgrades
- Refrigeration Upgrades
- Electric Water Heating Upgrades (Fuel Switching is not allowed)

**Active and Passive Incentives:** Incentives are based on current and forward capacity year auction prices, costs to qualify the resource, and customer MWs of participation. Customers will split incentives with DEMEC's implementing partner CPower.

Specific demand response implementation methods and procedures will be identified after discussing system operation behaviors with customers.

## **For More Information:**

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