



Demand Response

Winter 2017 Pilot Program FAQ

Q: What is the Demand Response Winter Pilot Program?

A: The Demand Response Winter Pilot Program will demonstrate electric load reduction during PSE's system peaks. PSE is implementing the program at a few select, volunteer electric customer facilities. At scale, demand response will help PSE avoid building new power plants.

Q: What is demand response?

A: Demand response is the voluntary reduction of electricity consumption during periods of peak electricity demand or high electricity prices. Aggregated demand reductions from the pilot can act as a clean, efficient alternative to peaking power plants.

Q: Why should I participate?

A: Demand response helps businesses, institutional, and industrial facilities reduce their energy costs and increase overall efficiency. Although the current pilot program does not offer any incentive payments, future programs may offer financial incentives for conserving energy during periods of high system peak demand. Demand reductions are clean, emissions-free "negawatts"—energy that is conserved rather than consumed. When aggregated across PSE's service area, demand response can substantially lower overall demand, prevent the need to dispatch costly peaking power, and offset the need to build new generation.

Q: What types of loads are curtailable?

A: Any non-essential electricity load is curtailable. Specific examples include lighting, HVAC, refrigeration, motors and pumps (particularly those equipped with VFDs), and some types of manufacturing equipment (e.g., rectifiers or shredders).

Q: How is curtailment managed?

A: The curtailment process will depend on your energy management infrastructure. PSE can integrate with existing energy management systems or install technology to curtail load automatically.

Q: What happens if a demand response event is called?

A: When PSE experiences a high peak demand and anticipates the need for additional resources, you will receive a one-hour notification via email or text informing you of the event and automatically initiating a pre-approved curtailment protocol at your facility. No action is required, and you maintain the option to withdraw from the event if operational constraints prevent participation. A network

operations center remains in close contact with your facility prior to, during, and after the event and is always available to answer any questions that you may have.

Q: How often will an event be called? How long do they last?

A: Events are only called on business days, between 7 a.m. and 10 a.m. and from 5 p.m. until 9 p.m. during the winter season. For the current pilot program, events will last no longer than three hours.

Q: When will I be notified of an event?

A: The notification window for an event is at least one hour prior to an event. You can choose to be notified by text message and/or email.

Q: How do I participate?

A: The Demand Response Winter Pilot Program is not accepting additional participants at this time. However, you can sign up to be notified when PSE launches its next demand response pilot by visiting pse.com/demandresponse and signing up for future pilot program notifications. If you are eligible, PSE will work with you to identify curtailable electricity load and determine the appropriate curtailment strategy that meets your specific business needs. During demand response events, PSE will measure and verify performance while ensuring operational conditions are satisfactory.