

DEMAND RESOURCE DEMAND REDUCTION

TERMINOLOGY

► February 18, 2016 (Draft)

DEFINITIONS



- ▶ **Demand Resource (ISO-NE):** A source of capacity whereby a customer reduces the demand for electricity from the bulk power system, such as by using energy-efficient equipment, shutting off equipment, and using electricity generated on site.
 - **Active Demand Resource:** Real-Time Demand Response and Real-Time Emergency Generation
 - **Passive Demand Resource:** Energy Efficiency

- ▶ **Demand Response Programs (EIA):** Demand response programs encourage electric power customers to temporarily reduce their demand for power at certain times in exchange for a reduction in their electricity bills. Some demand response programs allow electric power system operators to directly reduce load, while in others, customers retain control. Customer-controlled reductions in demand may involve actions such as curtailing load, operating onsite generation, or shifting electricity use to another time period.

DEMAND RESOURCE STRATEGIES

Demand Resource Policies and Strategies

- Demand reductions from EE programs
- Demand response programs to reduce peak demand in specific time periods (ISO regional market, state efforts)
- Load management/load control/load shifting/demand management, through strategies using controls, energy management systems, connected technologies, etc.
- *Integrated* approaches to the above (e.g., integrated EE and demand response using thermostats or controls)
- Pricing and rate design (time-varying rates, demand charges)