

Thank you for the opportunity to share customers' perspectives; collaboration is important for success.

Maybe it comes from my experience bias with national accounts (I worked for a small utility where they were my customers, then I became a national account customer-where I participated in some of these pilot programs, then I sold DR to many national accounts, and now I'm a national account customer again), and we're a different animal, but I think if the programs resonate with national accounts, it will be an easier job moving the rest of the market.

I make a plea to the LDCs: Serve us well, so we may serve you well. I understand many of you will say let the customer bear the cost...and we may be willing to bear a small portion of the cost, but with mergers, in many cases shareholders get all the value while no investment is made in systems and infrastructure (in fact some more sophisticated systems of smaller utilities were tossed and summary billing and other functionality was lost). Customers will help pay if they see the value, but customers have been asking for better info for years...and they need proof the programs will benefit them and society not just the utilities and suppliers.

Whether we're talking about demand response, price response or distributed generation, customers-need programs to be simple, flexible, rewarding, and modeled after successful programs that are working in other regions as much as possible. Pilot Programs work; while you're figuring out exactly how to value the reduction and from which bucket the incentives and payments come, rustle up some pilot money and measure and analyze.

For these programs to even get started; we need enhanced metering and billing- web based and near real time. If the LDCs make or assist with the investment in metering, information and billing systems, there will be an expedited deployment at least for the pilot program...these monies can come from EE funds or deferred investment capital for other programs.

There should also be established Capacity and Energy Payments for both DR and DE.

For DR specifically, consider allowing several options for participation: separate reliability or emergency programs, for which the capacity should be valued higher, from price response programs; and then have options within each: time of day and number of hours, variable kW (seasonal and operation changes), etc. Customer on-site and web enabled controls upgrades and wiring changes should be funded through EE because there will be efficiency benefits with the better information. With the proper tools that are available and less costly today, a supermarket retailer with 50 stores in a regional grid may be able to provide between 2.5 to 5 MW of capacity through stages of discreet peak reduction. Lighting, HVAC, and other non-critical loads may be switched off for specified periods of time (plus some duty cycling of fans and compressors), but systems need to be automatically and remotely switched and monitored.

For DE specifically; stand-by or back up rates must be modified or eliminated in congested areas; more appropriate TOU rates must be available (short term alternate rates may be deployed without a rate case for the pilot program). Also, net-metering and standardized interconnection is a must. LDCs could either help offset the initial capital cost a customer may make or provide a fixed energy and maintenance rate and have the customer host the on site energy systems. Leverage and collaborate with other agencies for additional incentives for renewable or alternative fuel options (DOE, DHS, RPS, etc.)

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