Smart Appliances Kevin Messner

December 1, 2011



Leadership > Knowledge > Innovation



Direct Load Control

- Customer Participation
 - + Customer Complaints

Low DR Resource





Smart Appliances

- + Customer Participation
 - Customer Complaints

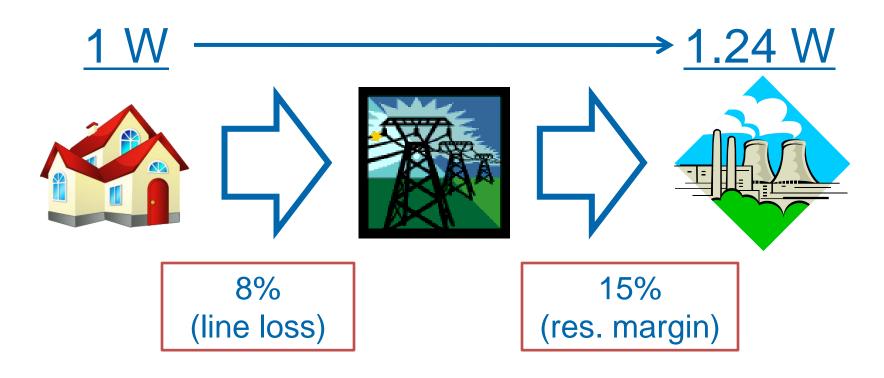
High DR Resource

ENERGY STAR

Smart Appliances Will Be a Reality in 2013

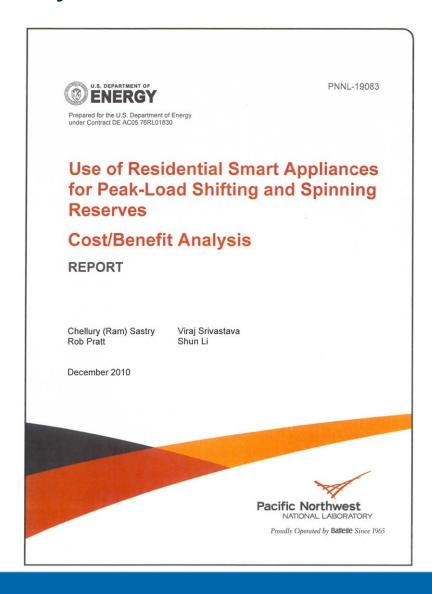
Product	Delay Load	Temporary Load
Refrigerator	Shift Defrost/Ice Making	50%
Clothes Washer	Delay Start	50%
Dryer	Delay Start	80%
Room AC	25%	80%
Dishwasher	Delay Start	50%

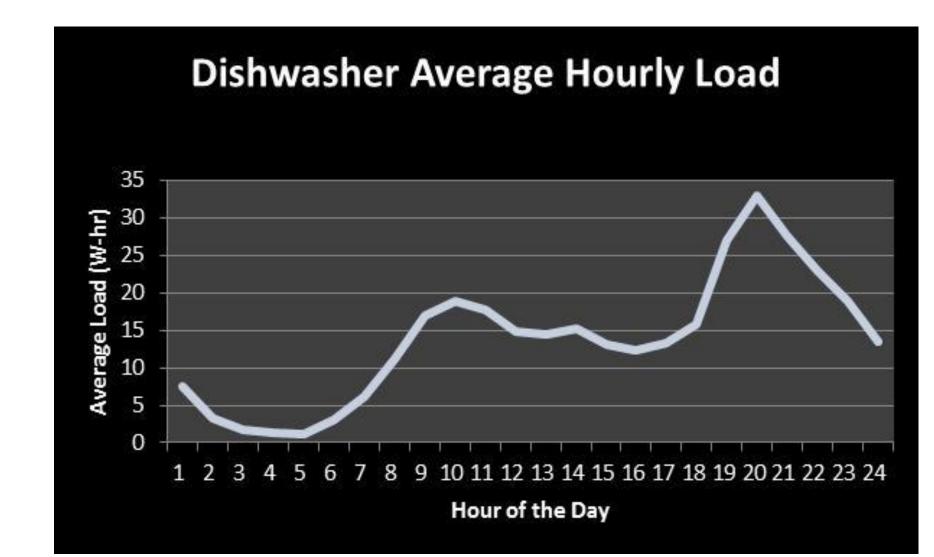
Demand Reduction Yields 24% More in Capacity Savings



Source: The Brattle Group

PNNL Study





PJM Hourly Wholesale LMP for NE. Columbus OH (2006)

Date	DST Hours	Price (\$MWh)		Month	Day	Hour (Starting)
01/01/2006	1	\$	35.32	1	1	0
01/01/2006	2	\$	31.42	1	1	1
01/01/2006	3	\$	32.84	1	1	2
01/01/2006	4	\$	27.11	1	1	3
01/01/2006	5	\$	27.25	1	1	4
01/01/2006	6	\$	26.73	1	1	5
01/01/2006	7	\$	27.04	1	1	6
01/01/2006	8	\$	28.64	1	1	7

PJM Hourly Ancillary Services for Mid-Atlantic (2006)

Date	DST Hours	Regulation (\$MWh)	Synchronized Reserve (\$MWh)	Month	Day
1/1/2006	1	17.51	7.07	1	1
1/1/2006	2	21.88	6.87	1	1
1/1/2006	3	24.38	6.78	1	1
1/1/2006	4	17.89	0	1	1
1/1/2006	5	27.8	0	1	1
1/1/2006	6	26.01	7.83	1	1
1/1/2006	7	19.95	6.68	1	1
1/1/2006	8	22.7	6.76	1	1

Dishwasher Assumptions-Pessimistic

Percentage of DWs with electricity based hot water

40%

Fraction of Customers with Access to Grid Signals

50%

Fraction of Customers Willing to Shift On-Peak Load	Fraction of On-Peak Load that Willing Customers Shift	Net Fraction of On-Peak Load Available to Shift
70%	70%	25%

Fraction of Customers Willing to Provide Spinning Reserves	Willing to Provide Fraction of Appliance Load Reduced for Spinning Reserves		Consumer Behavior Feedback Effect
90%	50%	23%	3%

PNNL Study-Results

Shown in Table 1-1 are the highest possible benefit-to-cost ratios (expressed as percentages) of various appliances based on the "optimistic" set of assumptions.

Table 1-1. Benefit-to-Cost Ratios of Smart Appliances Based on "Optimistic" Assumptions

	DW	CW	RAC	Freezer	Refrigerator	Dryer
PJM 2006	528%	563%	733%	539%	536%	680%
ERCOT 2008	817%	871%	1060%	881%	877%	1054%
NYISO 2008	367%	403%	585%	357%	355%	462%
NYISO 2006	353%	389%	712%	346%	344%	442%
CAISO 2008	319%	356%	554%	313%	312%	396%

Shown in Table 1-2 are the low-end benefit-to-cost ratios of various appliances based on "pessimistic" set of assumptions.

Table 1-2. Benefit-to-Cost Ratios of Smart Appliances Based on "Pessimistic" Assumptions

	DW	CW	RAC	Freezer	Refrigerator	Dryer
PJM 2006	136%	134%	131%	150%	150%	207%
ERCOT 2008	203%	200%	295%	230%	228%	337%
NYISO 2008	107% 106%	106%	139%	112%	111%	147%
NYISO 2006	112%	112%	160%	119%	118%	160%
CAISO 2008	99%	100%	135%	102%	101%	134%

Smart Appliances Provide Spinning Reserves

Spinning reserve requirements are up to 10 minutes.

Appliance loads can be reduced for 10 minutes or less with little or no impact on the consumer.

Appliances are environmentally friendly "reserves."



Contact Information

Kevin Messner

VP, Policy & Government Relations 202-872-5955

kmessner@aham.org

www.aham.org