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News Release 14-24  
Page 1 of 2

## **EN, BPA Launch Demand Response Pilot Project**

**RICHLAND, Wash.** – Energy Northwest and the Bonneville Power Administration will further explore the potential for energy end-users to lower within-hour consumption to help manage generation imbalance and reliability on the transmission grid. Energy Northwest will assemble and operate an aggregated “fast reaction” demand response-capacity resource and the Bonneville Power Administration will evaluate the project’s ability to supply electricity reserves and other regional transmission system needs.

Under an agreement announced today, EN will develop a 19-megawatt demand response pilot project by 2015. The contract allows Energy Northwest to add additional demand response resources up to a total of 25 megawatts.

“This agreement furthers the Energy Northwest vision to be the region's leader in power generation and energy solutions through sustained excellence in performance and innovation,” said Energy Northwest CEO Mark Reddemann.

In the past, BPA provided balancing services such as these being tested solely with capacity from its hydro system. However, growing demands on the hydro system have limited its flexibility to provide this capacity so BPA is exploring third-party capacity sources.

“BPA is pleased to partner with Energy Northwest and our other participating customers to test solutions that address this growing need within our balancing authority,” said Mark Gendron, senior vice president of Power Services.

Conceptually, demand response builds on the idea that while individual electricity loads are relatively minor compared to the scale of a regional transmission grid, many loads lowered and raised at once may serve as a cost effective alternative to building or purchasing the output of additional electric generating stations.

Under the agreement, Energy Northwest will develop the Demand Response Aggregation Control System, a comprehensive data gathering, monitoring, control and communications infrastructure. Communication devices will be installed by each participating utility to report to and receive direction from the DRACS via secure cloud-based data paths. DRACS will be hosted within Pacific Northwest National Laboratory’s Electricity Infrastructure Operations Center, a U.S. Department of Energy funded incubator facility built and operated for such roles.

BPA sought offers for demand response proposals last year which could respond reliably and fast enough to provide within-hour imbalance capacity. If successful, this model could provide

additional cost competitive resources for BPA to help manage the growing variable resource base within our balancing authority..

“This regional demand response program will be the first-of-its-kind program in the Northwest led by public power, for public power,” said Jim Gaston, General Manager of Energy Services and Development.

Energy Northwest and its public utility partners will assemble diverse electric loads from customers willing and able to reduce their electric demand on short notice. The participating public utilities that provide the customer loads for the demand response resource are expected to include utility participants in Idaho, Oregon and Washington. The project team remains open for participation from additional regional public utilities.

The project is scheduled to come online in January 2015 and run through January 2016 with options to extend for an additional year. Energy Northwest expects up to \$2 million in gross revenue value from the pilot project.

### **About Energy Northwest**

*Energy Northwest develops, owns and operates a diverse mix of electricity generating resources, including hydro, solar and wind projects – and the Northwest’s only nuclear energy facility. These projects provide enough reliable, affordable and environmentally responsible energy to power more than a million homes each year, and that carbon-free electricity is provided at the cost of generation. As a Washington state, not-for-profit joint operating agency, Energy Northwest comprises 27 public power member utilities from across the state serving more than 1.5 million ratepayers. The agency continually explores new generation projects to meet its members’ needs.*

*Energy Northwest – [www.energy-northwest.com](http://www.energy-northwest.com). Find us on Facebook, Twitter and YouTube.*



*BPA is a nonprofit federal agency that markets renewable hydropower from 31 federal hydro projects in the Columbia Basin and power from Energy Northwest’s Columbia Generating Station. BPA also operates three-quarters of high-voltage transmission line capacity in the Northwest and funds one of the largest wildlife protection and restoration programs in the world. BPA and its partners have also saved enough electricity through energy efficiency projects to power four large American cities. For more information, contact us at 503-230-5131 or visit [www.bpa.gov](http://www.bpa.gov).*

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