
INTERNATIONAL ENERGY AGENCY
IMPLEMENTING AGREEMENT ON TECHNOLOGIES
AND PROGRAMMES FOR DEMAND SIDE MANAGEMENT

Task XV: Network-Driven DSM

Task Status Report

Dr David J Crossley
Operating Agent
Energy Futures Australia Pty Ltd

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Energy Futures Australia Pty Ltd
11 Binya Close
Hornsby Heights NSW 2077
Australia
Phone: + 61 2 9477 7885
Mobile: + 61 411 467 982
Fax: + 61 2 9477 7503
Email: efa@efa.com.au
Website: <http://www.efa.com.au>

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INTRODUCTION

At its meeting in April 2004, the IEA DSM Executive Committee approved the initiation of Task XV: “Network-Driven DSM” and nominated David Crossley as the Operating Agent. At its meeting in October 2005, the IEA DSM Executive Committee declared Task XV to be ‘in force’ from 18 October 2004 and to be completed by 30 April 2006. At this meeting, the Executive Committee also approved a modification of the Objectives and Work Plan for Task XV to include the use of DSM measures to provide both relief of electricity network constraints and network operational services.

SUMMARY OF TASK OBJECTIVES AND SUBTASKS

Objectives

The objectives of Task XV, as approved at the October 2005 Executive Committee meeting, are as follows:

- to identify a wide range of DSM measures which can be used to relieve electricity network constraints and/or provide network operational services;
- to further develop the identified network-driven DSM measures so that they will be successful in cost-effectively achieving network-related objectives;
- to investigate how existing network planning processes can be modified to incorporate the development and operation of DSM measures over the medium and long term;
- to develop ‘best practice’ principles, procedures and methodologies for the evaluation and acquisition of network-driven DSM resources;
- to communicate and disseminate information about network-driven DSM to relevant audiences.

Subtasks

The Work Plan for the Network-Driven DSM Task comprises five Subtasks.

Subtask 1: Worldwide Survey of Network-Driven DSM Projects

Subtask Objective

To identify a wide range of DSM measures which can be used to relieve electricity network constraints and/or provide network operational services.

Subtask Deliverable

A report listing and summarising network-driven DSM projects implemented around the world.

Subtask 2: Assessment and Development of Network-Driven DSM Measures

Subtask Objective

To further develop the identified network-driven DSM measures so that they will be successful in cost effectively achieving network-related objectives.

Subtask Deliverable

A report listing and summarising successful network-driven DSM measures and the specific network problems they address.

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Subtask 3: Incorporation of DSM Measures into Network Planning

Subtask Objective

To investigate how existing network planning processes can be modified to incorporate the development and operation of DSM measures over the medium and long term.

Subtask Deliverable

A report on ways in which network planning processes can be modified to incorporate DSM measures as alternatives to network augmentation.

Subtask 4: Evaluation and Acquisition of Network-Driven DSM Resources

Subtask Objective

To develop 'best practice' principles, procedures and methodologies for the evaluation and acquisition of network-driven DSM resources.

Subtask Deliverable

A report on 'best practice' principles, procedures and methodologies for the evaluation and acquisition of network-driven DSM resources.

Subtask 5: Communication of Information About Network-Driven DSM

Subtask Objective

To communicate and disseminate information about network-driven DSM to relevant audiences, including representatives of electricity network businesses, government agencies and electricity end-users.

Subtask Deliverables

- A Task Newsletter.
- Information databases about network-driven DSM projects and measures.
- Regional workshops about network-driven DSM held in Europe, North America and Asia Pacific.

BENEFITS OF PARTICIPATING IN TASK XV

Participating in the Network-Driven DSM Task will enable countries to:

- understand the advantages and disadvantages of network-driven DSM measures as alternatives to network augmentation and for providing network operational services;
- gain information about network-driven DSM measures currently in use in other countries and about the relative effectiveness of these measures;
- understand the factors which lead to a network-driven DSM measure being effective;
- participate in further developing the identified DSM measures so that they will be successful in achieving network-related objectives;
- identify modifications which can be made to existing network planning processes to incorporate network-driven DSM measures as alternatives to network augmentation;
- understand the interaction between network-driven DSM and the operation of competitive electricity markets;
- participate in developing business models, rules and procedures to achieve the successful implementation of network-DSM measures under different electricity market structures and regulatory regimes.

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MAJOR ACCOMPLISHMENTS SINCE OCTOBER 2005

Following are the major accomplishments in Task XV over the last six months.

- Modification of the Task XV Prospectus and draft Legal Annexe to incorporate the changes to the Objectives and Work Plan approved by the Executive Committee.
- Establishment of a Task XV website as a sub-site on the IEADSM website. The Task XV website includes both a public site and an Experts secure site which is the main working location for Task XV.
- Development of an on-line data collection form for the survey of network DSM projects which comprises Activities 1-1 and 1-2 of Subtask 1. The data collection form is linked to a database located on the Task XV website.
- Commencement of the survey. The Country Experts are collecting information about the network-driven DSM projects implemented in their respective countries and the Operating Agent is collecting information about network DSM projects implemented in other countries. At the time of writing detailed information has been collected about six DSM projects. The goal is to increase this to 25 projects by the end of March and 50 projects by the end of April 2005.
- Publication of three issues of the Task XV newsletter. The newsletter provides information about progress with Task XV to the Country Experts and relevant IEA DSM Programme Executive Committee members.

WORK PLAN FOR THE PERIOD APRIL TO OCTOBER 2005

Timetable

The timetable for the five subtasks which comprise Task XV is shown in Chart 1 on page 4.

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Work Plan

Over the next six months, the following work will be carried out in Task XV:

- complete the survey of network DSM projects (Activities 1-1 and 1-2 of Subtask 1);
- carry out a review of the information contained in the database of network DSM projects to identify the DSM measures used in the projects (Activity 1-3 of Subtask 1);
- undertake an analysis of the information contained in the database to determine the factors which lead to particular network-driven DSM measures being successful in cost-effectively achieving network-related objectives (Activities 2-1 and 2-2 of Subtask 2);
- commence further development of the network-driven DSM measures to improve their effectiveness in achieving network-related objectives (Activity 2-3 of Subtask 2);
- commence a survey of the network planning processes implemented in the countries participating in Task XV (Activities 3-1 and 3-2 of Subtask 3);
- commence developing options for modifying network planning processes to incorporate DSM measures as alternatives to network augmentation (Activity 3-3 of Subtask 3);
- provide information about the progress of Task XV to the country Experts and relevant IEA DSM Programme Executive Committee members through a regular newsletter (Activity 5-1 of Subtask 5);
- establish and update databases containing relevant information about network-driven DSM projects and measures, and network planning processes, and make these available to the country Experts through the secure web site(Activity 5-2 of Subtask 5).

EXPERTS MEETINGS

The first Experts meeting for Task XV was held in Atlanta, Georgia, USA on 11 and 12 October 2004.

The second Experts meeting is scheduled to be held in Sophia Antipolis, France on 12 and 13 April 2005.

FINANCIAL REPORT

Receipts

Invoices were sent to the participants for the first of two annual financial contributions to Task XV.

At the time of writing, full annual financial contributions have been received from two of the four participants and half a contribution has been received from one participant (two separate organisations are contributing half each of this contribution). Arrangements for payment of the outstanding half contribution and the remaining outstanding full contribution are in place.

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Expenditure

Table 1 details the expenditure incurred in Task XV from the commencement of the Task to 1 March 2005.

Labour is charged in euros and converted to Australian dollars at the exchange rate applicable on the date of invoice payment. Other expenses are charged in the original currency in which the expense was incurred and converted to Australian dollars at the exchange rate applicable on the date of invoice payment.

To produce this statement, the Australian dollar amounts were converted back to euros at the exchange rates applicable on 2 March 2005. Consequently there are some minor discrepancies compared with the original currency amounts. These discrepancies are caused by movements in exchange rates since the invoices were paid.

Note: The Australian dollar has been particularly volatile (rising) over the last six months.

Table 1. Task XV Expenditure		
Expense Item	AUD	EUR
Labour	60,361.47	35,913.03
Contractors	0	0
Travel	11,573.07	6,885.59
Bank charges	5.15	3.06
Total	71,939.69	42,801.68

ISSUES TO BE CONSIDERED BY THE EXECUTIVE COMMITTEE

None.