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

***Task XV: Network-Driven DSM***

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## **Task Status Report**

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***Prepared for***  
***IEA DSM PROGRAMME***  
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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 2004, 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. At its meeting in October 2005, the Executive Committee approved a six month no-cost extension of Task XV; under this decision, Task XV was to be completed by 30 September 2006. At its meeting in April 2006, the Executive Committee approved a further no-cost extension; Task XV is now to be completed no later than 30 March 2007.

## SUMMARY OF TASK OBJECTIVES AND SUBTASKS

### Objectives

The objectives of Task XV, as approved at the October 2004 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.

#### **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.

### **MAJOR ACCOMPLISHMENTS SINCE APRIL 2006**

Following are the major accomplishments in Task XV over the last six months. The work during this period has concentrated on completing Subtask 1: Worldwide Survey of Network-Driven DSM Projects and Subtask 2: Assessment and Development of Network-Driven DSM Measures and commencing Subtask 3: Incorporation of DSM Measures into Network Planning.

- Completion of the Subtask 1 report including preparing an additional detailed case study (to increase the total number to 45), significantly expanding and updating three other case studies, and carrying out numerous minor corrections and amendments.
- Completion of Activity 2-3 in Subtask 2 by writing up and expanding the preliminary work carried out at the Fourth Experts meeting.
- Completion of the Subtask 2 report, including carrying out numerous minor corrections and amendments.

- Submission of the Subtask 1 and Subtask 2 reports for approval for distribution. By the date of the ExCo meeting it is expected that all participating ExCo members will have finally approved these two reports.
- Completion of Activities 3-1 of Subtask 3, a survey of the interaction between network-driven DSM, electricity markets and regulatory regimes in the countries participating in Task XV.
- Commencement of Activity 3-2 of Subtask 3, a survey of network planning processes implemented in the countries participating in Task XV.
- Ongoing updating of the on-line database containing relevant information about network-driven DSM projects and measures.

## **WORK PLAN FOR THE PERIOD OCTOBER 2006 TO APRIL 2007**

### **Timetable**

The current timetable for the five subtasks which comprise Task XV is shown in Table 1 on the next page.

Subtasks 1 and 2 have been completed. Subtask 3 is expected to be completed by the end of November and Subtask 4 is expected to be completed by the end of January. Subtask 5 is an ongoing subtask involving the dissemination of information about Task XV which will finish when Subtask 4 is completed.

Under this timetable, Task XV will be completely finished two months earlier than the deadline set by the Executive Committee at its last meeting.



## **Work Plan**

The following work is planned to be carried out over the next six months:

- complete the survey of the network planning processes implemented in the countries participating in Task XV (Activity 3-2 of Subtask 3);
- develop options for modifying network planning processes to incorporate DSM measures as alternatives to network augmentation (Activity 3-3 of Subtask 3);
- complete the Subtask 3 report;
- carry out a survey of evaluation and acquisition procedures for network-driven DSM resources (Activity 4-1 of Subtask 4);
- carry out the development of 'Best Practice' procedures for the evaluation and acquisition of network-driven DSM resources (Activity 4-2 of Subtask 4);
- complete the Subtask 4 report;
- 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);
- update databases containing relevant information about network-driven DSM projects and measures and make these available to the country Experts through the secure web site (Activity 5-2 of Subtask 5).

## **EXPERTS MEETINGS**

All four Experts meetings planned for Task XV have now been held. No further Experts meetings are planned.

## **FINANCIAL REPORT**

### **Receipts**

The full amount of the second (and final) annual financial contribution to Task XV has been received from three of the four participating countries. One-half of the second annual contribution from the fourth participating country has been received; the remaining one-half is expected to be paid by the date of the ExCo meeting.

### **Expenditure**

Table 3 on the next page details the expenditure incurred in Task XV from the commencement of the Task to 14 September 2006.

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 14 September 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.

<b>Table 3. Task XV Expenditure</b>		
<b>Expense Item</b>	<b>AUD</b>	<b>EUR</b>
Labour	256,163.82	151,708.43
Travel	27,505.37	16,292.23
Postage	30.38	18.00
Bank charges	35.15	20.82
Total	283,734.72	168,039.48

The expenditure to date of EUR 168,039.48 is **74%** of the EUR 228,200 budget for Task XV.

### **ISSUES TO BE CONSIDERED BY THE EXECUTIVE COMMITTEE**

None.