

STAFF REPORT UTILITY MEETING

AGENDA DATE: November 29, 2022

DEPARTMENT: Electric Utility

TITLE:

Demand Response Program Consulting Support

SUMMARY:

Retention of Quanta Technology to conduct a demand response study.

BACKGROUND AND JUSTIFICATION:

Demand Response refers to a process by which an electric utility can exercise limited control of customer-owned equipment to remotely turn equipment off during periods of high electric demand to effect reductions in electric system demand. Demand Response has been identified as having potential benefit to the City's electric utility in reducing system demand and is included as a potential resource in the City's Electric Utility Integrated Resource Plan (IRP).

In order to better understand the costs and benefits of deploying such a program Staff obtained multiple proposals and has selected Quanta Technology to perform Phase I of the study which will include:

- Collection of data from the City's electric utility system to determine how much demand is available for reduction or shifting load
- Defining program potential benefits
- Conducting a technology assessment to evaluate choices technology to be employed
- Detailing anticipated impacts and costs

The Phase I study will allow us to quantify how much demand reduction potential exists in our customer base, which types of customer-owned equipment is most viable for inclusion in the program, the technology by which the equipment will be controlled, and the capital and operating costs associated with deployment and operation of the program. A Phase I study was included in the Electric Utility Fiscal Year 2023 approved budget.

It is contemplated that should the Phase I study yield a compelling business case, that Phases II and III would follow and would include the development of RFPs for program deployment and actual deployment.

MOTION:

Move to approve/disapprove retaining Quanta Technology at a cost of \$49,948 to conduct Phase I of the Demand Response Study.

ATTACHMENT(S):

Fiscal Impact Analysis

Task Order 1

PSA

Quanta Technology Proposal

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027
Inflows					
Current Appropriation	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows					
Operating	\$49,948	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact	\$49,948	0	0	0	0
No. of Addn'l Full-Time Employee Positions					
	0	0	0	0	0

Contract Award - Existing Appropriation	
	Expenditure
Department	Electric Utility
Division	Power Generation
GL Description	Contractual Services
GL Account Number	401-6031-531-34-50
Project Number	N/A
Requested Funds	49,948