

Demand Response – FAQs

1. What is Demand Response?

The Demand Response program compensates participants to reduce electric load during high demand (when the grid is stressed) or when the price to produce power is high.

2. Who can participate in the state Demand Response program?

State agencies, universities, K-12 schools, local government and municipalities can participate.

3. What does it cost to participate?

There is no cost (fees or charges) to participants when using the DMME program/contract.

4. What are the requirements to participate?

The ability to curtail your electric load with short notice. Curtailment can be through Building Automation Systems, emergency generation, lighting reduction, HVAC, or delaying electric consumption to a different time.

5. How do I sign up?

Contact DMME's Division of Energy to discuss the steps to participate in the program at the email/phone number below. The state contract designates CPower as the sole Demand Response Curtailment Service Provider and participants only sign an addendum issued by CPower that contains the specifics tailored for each facility.

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(804) 382-4217

6. Where does the funding come from?

CPower, through PJM, reimburses participating customers who commit to reduce their electric load when the grid is stressed.

7. When and how do participants receive reimbursements?

Once the season concludes, customers are reimbursed via check or direct deposit, or the reimbursement is sent to their electric utility provider to reduce their bill. Payments are disbursed quarterly.

8. Can I use my emergency generator?

DMME and CPower will work with you to determine if your generator meets the requirements. This assessment is free.

9. What programs are available?

There are three main programs:

- Emergency: This program pays the participant to reduce power when the grid is under extreme duress. Facilities must do a one-hour test each year. Starting in 2020, this will be a year-round program.
- Energy Efficiency: This program pays participants a rebate for permanent efficiencies that result from energy efficient projects. Eligible projects are lighting upgrades, chiller upgrades, renovations, geothermal, LEED (or other) energy efficient new buildings, variable frequency drives.
- Synchronous Reserve: This program pays participants for a very fast response to a short term grid problem. Participants get a 10 minute notice and events are very short, averaging 11 minutes. One-minute metering is a requirement for this program; the cost for this metering would be taken from earnings so there is no cash outlay.

10. Are there long term contracts?

There are no long term contracts. The contract between DMME and CPower goes through 2021, but participants are able to opt-in annually.

11. Who is participating already?

Nearly 300 facilities throughout the State of Virginia; including state agencies, universities, K-12, localities and public bodies participate. See the CPower web portal for descriptions, case studies, etc. at <https://cpowerenergymanagement.com/partner-with-us/state-of-virginia/>