Why is Demand Management So Important?

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X-Axis reflects the 24 hours in the day.

Y-Axis reflect electricity demand.

Source: California ISO, What the duck curve tells us about managing a green grid, 2016, page 3





The number of peak hours is quite small, ~5%, but adds ~50%+ to the size grid we need!

Today's grid could deliver <u>nearly double</u> the current demand – if managed well.

X-Axis reflects the 8760 hours in the year by declining load.

Y-Axis reflects electricity demand for each hour.

Source: ISO-NE, 2022 Annual Markets Report, page 37



The highest price hours are few in number, <4%, but are 2-3 times the price!

X-Axis is the 8760 hours in the year, by declining price.

Y-Axis is the electricity price for each hour.

Source:

2021 State of the Market Report for the MISO Electricity Market, page 5.



In 2016, Massachusetts found the top 1% of hours = 8% of state energy spend, and top 10% of hours = 40% of energy spend!

X-Axis is the top and bottom 10% of the 8760 hours in the year, by declining price.

Y-Axis is the electricity price for each hour.

Source:

2021 State of the Market Report for the ERCOT Electricity Market, page 15.

Demand Management Allows Us to:

- Decarbonize the grid and electrify our lives more quickly,
- By integrating more renewable energy resources, and
- Keeping our grid smaller (building less)
- By using it more fully, and
- Saving money via lower hourly power costs AND less grid investment



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