



DEMAND RESPONSE *and* Smart Grid Coalition

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Demand Response and Smart Grid Coalition Offers Policy Recommendations to New Administration and Congress

(Washington – November 24, 2008) The Demand Response and Smart Grid Coalition (DRSG) released today its policy recommendations for the incoming Obama Administration and the 111th Congress. The recommendations are designed as options for how demand response and smart grid technologies can help policymakers meet their goals in the areas of economic stimulus, infrastructure enhancement, green job creation and climate change mitigation.

DRSG has identified 21 different policy options that can be pursued. “Many key parties are urging that the smart grid be among the first areas taken up by policy makers,” said Dan Delurey, Executive Director of DRSG. “We agree and have developed specific proposals that can be acted upon. We look forward to working with the Obama Administration and Congress to help put these policies in place,” Delurey added. The policy recommendations are available at www.drsgcoalition.org.

Among the proposals is the establishment of a Reduction Tax Credit (RTC), whereby eligible parties would receive a tax credit for every kilowatt hour (kWh) of electricity reduced, just as wind and other renewable resources receive a Production Tax Credit (PTC) for every kWh produced. Just as the PTC has helped lift and support the renewable energy industry, an RTC would do the same for the demand response and smart grid industry, according to DRSG.

Another DRSG proposal would create a Smart Grid Infrastructure Fund, modeled after the System Benefit Funds that exist in many states which are dedicated for use on energy efficiency and renewable energy activities. A new national Smart Grid Infrastructure Fund would specifically accelerate the production and deployment of smart meters and other smart grid technologies, and it would help create the green jobs that come with them.

As Congress moves to establish a national Renewable Portfolio Standard (RPS), DRSG urges that special recognition be given to the ability of demand response to (1) reduce higher value “peak” kWh (as opposed to average kWh) and (2) complement and support the increased deployment of intermittent renewable resources that do not provide on-peak power. DRSG specifically urges that on-peak kWh reductions be provided with multiple credits in line with their higher value, providing a targeted incentive to develop demand response resources and deploy their enabling technologies.

In the area of Climate Change, DRSG recommends that policymakers recognize the essential role of smart meters and other smart grid technologies in verifying CO₂ reductions achieved through reductions of electricity use. With CO₂ reductions being more seriously monetized under new carbon-

constraining policies, it becomes much more important that they be more precisely measured and verified.

The Demand Response and Smart Grid Coalition (DRSG) is the trade association for companies that provide products and services in the areas of demand response, smart meters and smart grid technologies. DRSG works to educate and provide information to policymakers, utilities, the media, the financial community and stakeholders on how demand response and smart grid technologies such as smart meters can help modernize our electricity system and provide customers with new information and options for managing their electricity use. DRSG is the new name for the Demand Response and Advanced Metering Coalition (DRAM) which was founded in 2001; this change reflects the growth in diversity of the Coalition's members and the breadth of smart grid products and services that they provide.

Members of the DRSG Coalition include: Aclara, Comverge, Conservation Services Group, Corporate Systems Engineering, CPower, Direct Energy, Eka Systems, Elster Integrated Solutions, eMeter, EnergySolve, EnerNOC, Google, IBM, Ice Energy, Itron, Landis + Gyr, Orion Energy Systems, Sensus Metering Systems, Silver Spring Networks, SmartSynch, SureGrid, Tendril, Trilliant Networks, and Ziphany. More information is available at www.drsgcoalition.org

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