Empowering Consumers through Demand Response



Grace Murray Consumers for a smart energy system 21st June 2017



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Consumer Empowerment through Demand Response

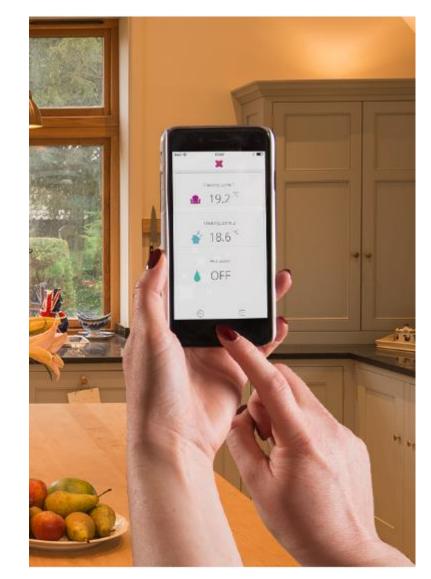




1) Implicit Demand-Side Flexibility

Consumer adjusts to variable marketprice signals through

- personal choices
- automation
- uses power when it's cheapest
 saves money on consumer's bill
 saves hedging cost & supports system



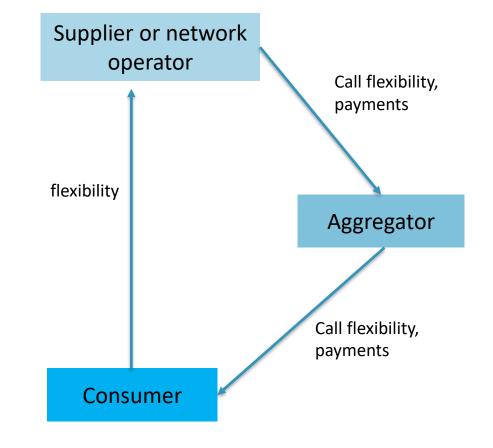
Picture: geo



2) Explicit Demand-Side Flexibility

Consumer sells local flexibility via an aggregator

- ✓ Gains an income on committed flexibility
- \checkmark Supports the system





Real life examples of Demand Response in action - **Residential**



Finland: hourly electricity pricing & smart controls

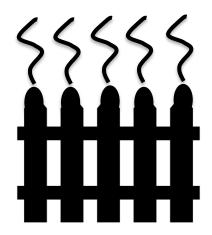
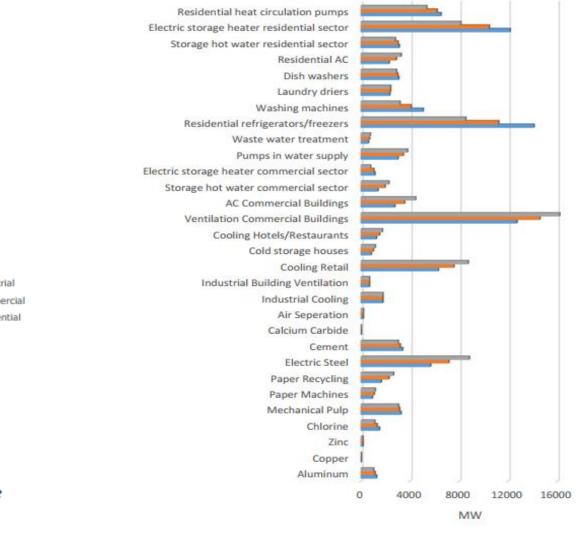




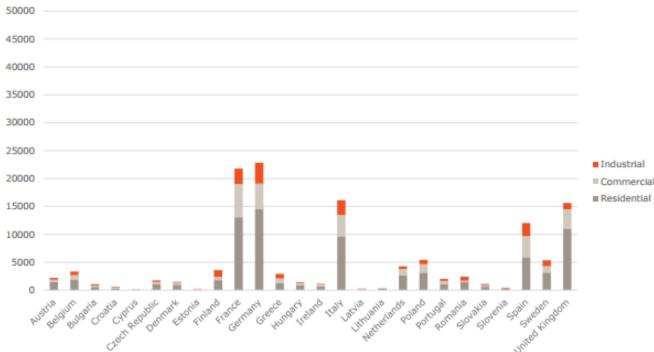
Figure 2: Theoretical potential of demand response per appliance



■ 2030 ■ 2020 ■ 2010

Demand Response potential

Figure 1: Theoretical demand response potential 2016 (in MW)



Source: Impact Assessment support Study on downstream flexibility, demand response and smart metering, COWI, 2016



Mapping Demand Response in Europe

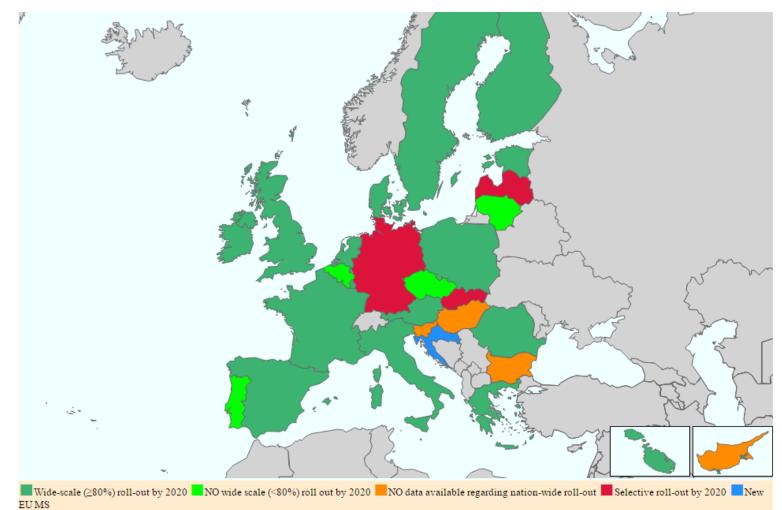




Access to a smart meter to support dynamic pricing

A smart meter should enable a real-time pricing contract

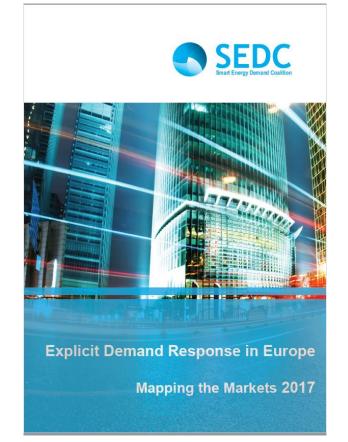
Advanced dynamic pricing contracts only available in Estonia & Finland



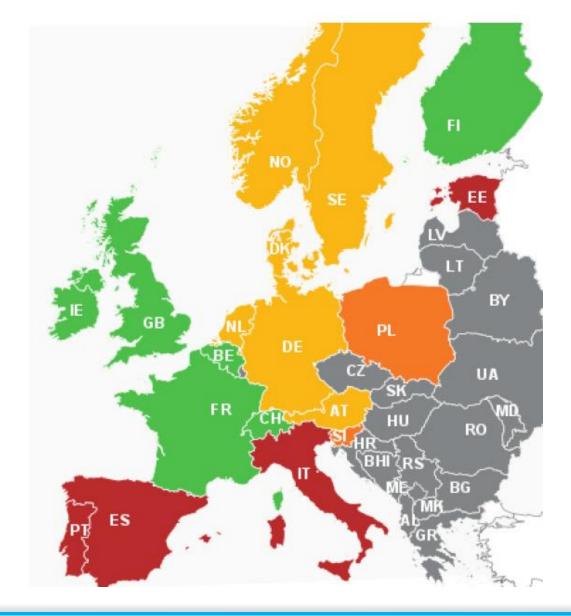
source: JRC



Explicit Demand Response 2017



Commercially active Partial opening Preliminary development Closed Not assessed





Conclusions

- Two types of demand response
- Several real world examples of consumer empowerment
- Consumer benefits: saving money, earning money, being in control of energy consumption, taking part in wider energy ecosystem, helping to integrate more renewables, societal benefits of reduced dependency on energy imports, less overcapacity, liquid and liberalised markets
- Still a way to go for removing barriers
- Clean Energy Package offers opportunities to create framework for flexibility solutions and to empower consumers to take part in demand response





Grace Murray Senior Policy Adviser grace.murray@smartenergydemand.eu

Rue d'Arlon 69-71, 1040 Brussels, Belgium www.smartenergydemand.eu

