

Smart Grid Voltage Optimization:

For EPA Clean Power Plan Compliance and Grid Resiliency

National Summit on Smart Grid & Climate Change

October 13, 2015

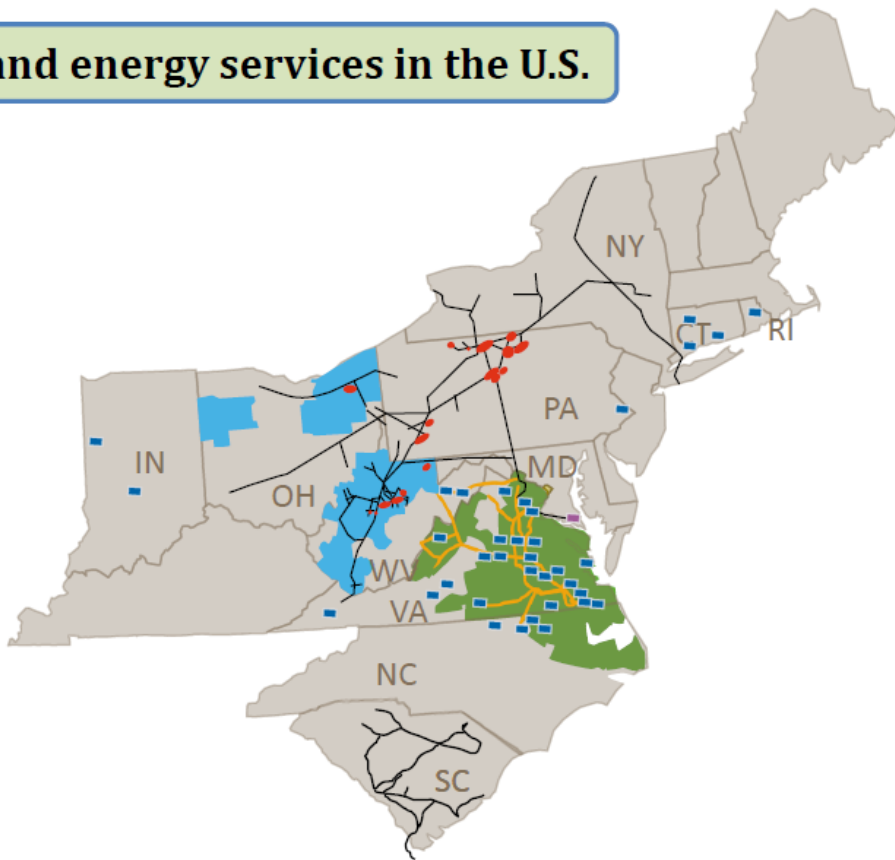


*Maria Seidler, Director Policy and Grants
Alternative Energy Solutions
Dominion Resources, Inc.*

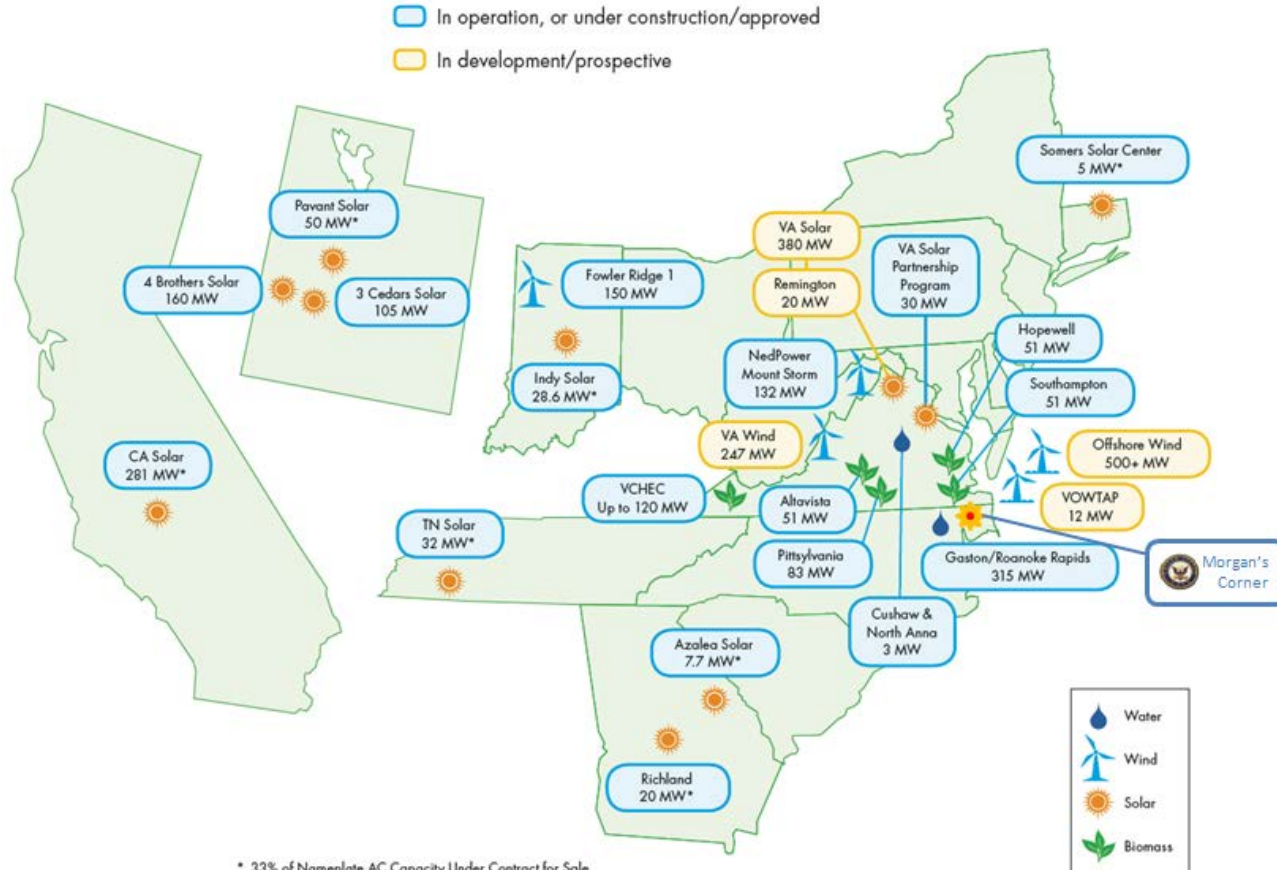
Dominion Resources, Inc.

Leading provider of energy and energy services in the U.S.

- 24,600 MW of electric generation
- 6,455 miles of electric transmission
- 12,200 miles of natural gas transmission, gathering and storage pipeline
- 928 billion cubic feet of natural gas storage operated
- Cove Point LNG Facility
- 2.5 million electric customers in VA and NC
- 1.3 million natural gas customers in OH & WV
- 1.2 million non-regulated retail customers in 13 states (not shown)
- 252 MW of contracted solar generation in 6 states (not shown)



Dominion Resources, Inc. Renewable Energy Profile



* 33% of Nameplate AC Capacity Under Contract for Sale

Dominion Voltage Inc. (DVI)



Overview

- Subsidiary of Dominion Resources
- Deliver grid-side efficiency solutions
- Patented approach using AMI data
- Proven customer successes
- Partnerships with world class companies

Built with Utility Expertise

- Utility-scale distribution system
- State goal for verifiable energy savings

More Than Just Software

- Efficient business processes
- Complete grid-optimization program and tools
- Integrate seamlessly into existing systems

Practical Approach

- Delivers immediate value
- Captures greater and more sustainable savings
- Provides continuous improvement process
- Deployable and measurable circuit by circuit



EPA Clean Power Plan Validates CVR for Compliance

EPA Clean Power Plan Final Rule:

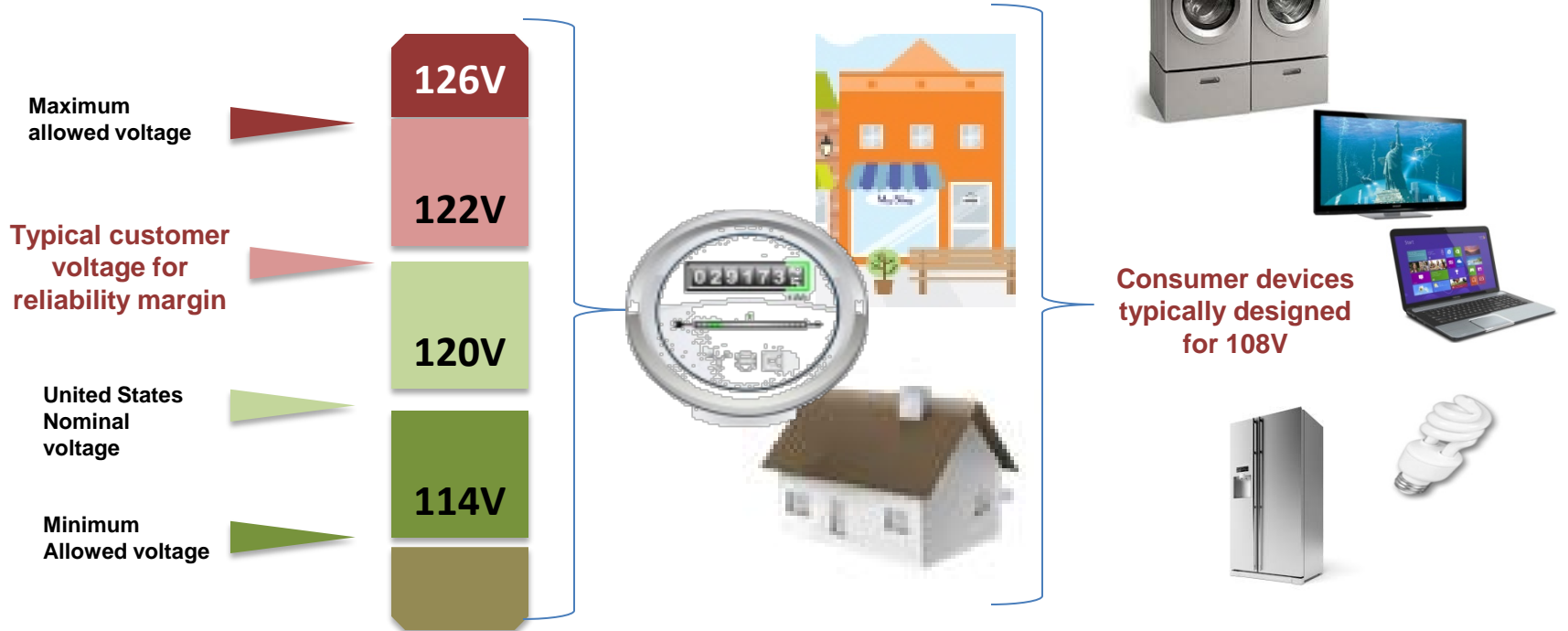
*“[M]easures that improve the efficiency of the T&D system and/or reduce electricity use may be used.... to reduce [line] losses ... and **T&D measures that reduce electricity use at the end-user, such as conservation voltage reduction (CVR)**”.*

What Can CVR Do for a State’s Implementation Plan?

DOE: *“When extrapolated to a national level, complete deployment of CVR ... provides a 3.04% reduction in annual energy consumption.”*

Voltage Standards

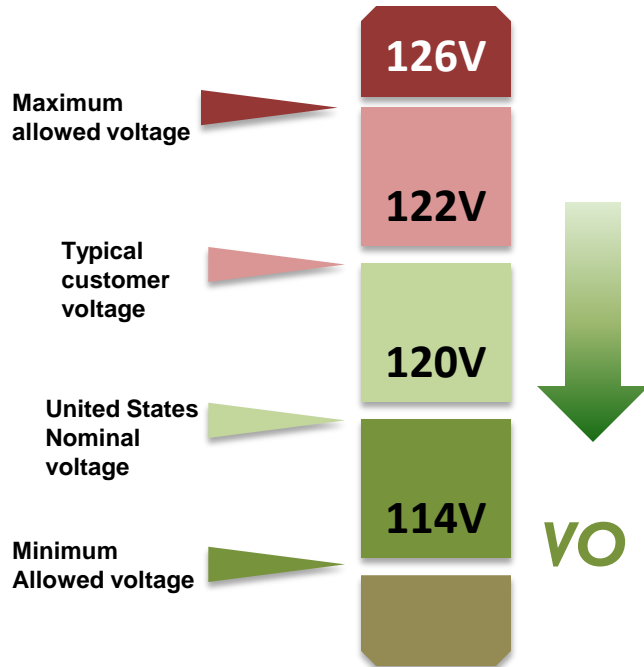
ANSI Standard for electricity delivery to customers' meters.



Conservation Voltage Reduction (CVR)

Lower Voltage Reduces Consumption

1% voltage drop = .6 to 1.2% kWh savings.
Excess voltage results in energy waste.



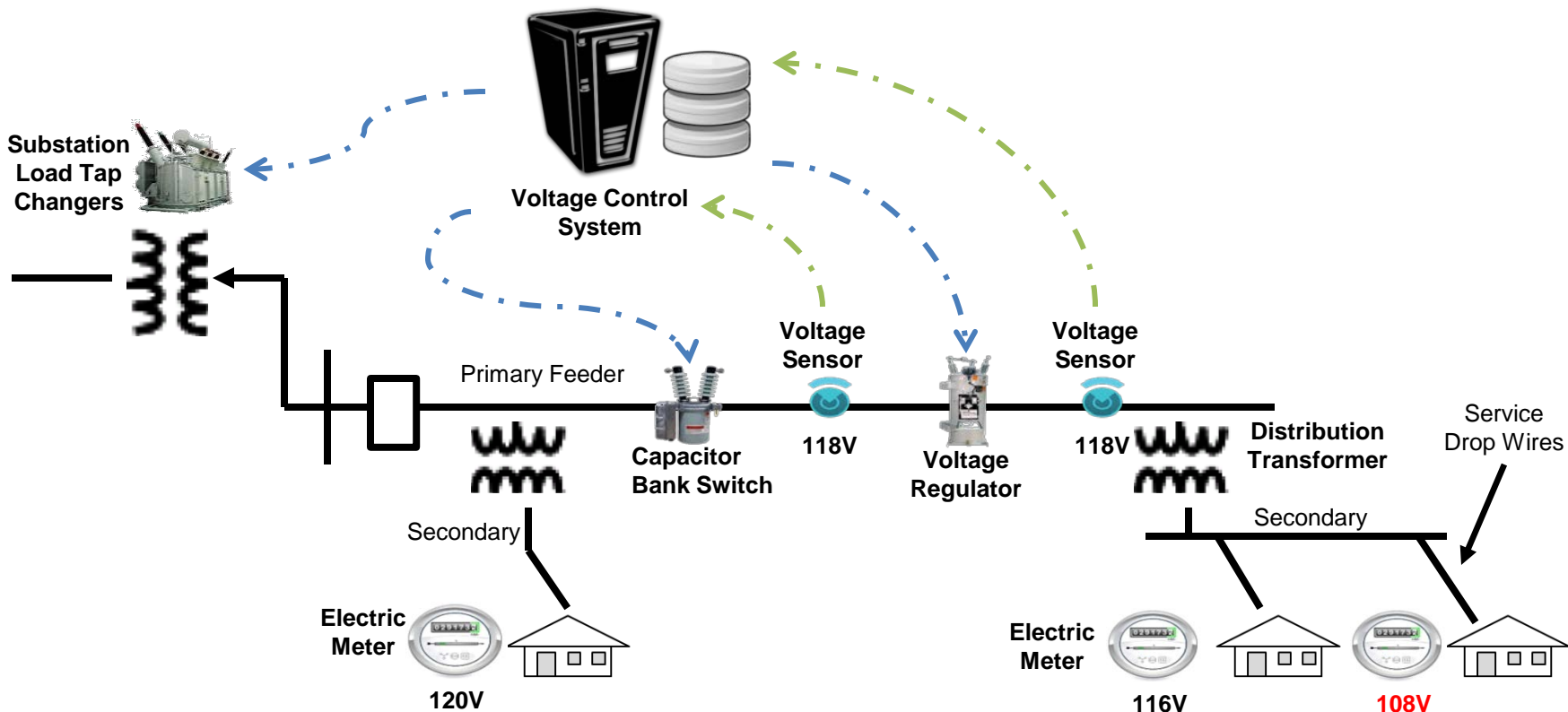
CVR + Smart Grid = Voltage Optimization

- **24x7 Optimization** *multiplies kWh saved on customers' bills.*
- **AMI visibility and communication** *assures ANSI compliance for all customers.*
- **Automated Voltage Control** *promotes grid resiliency and circuit stability.*

VO = 3% - 5% energy savings

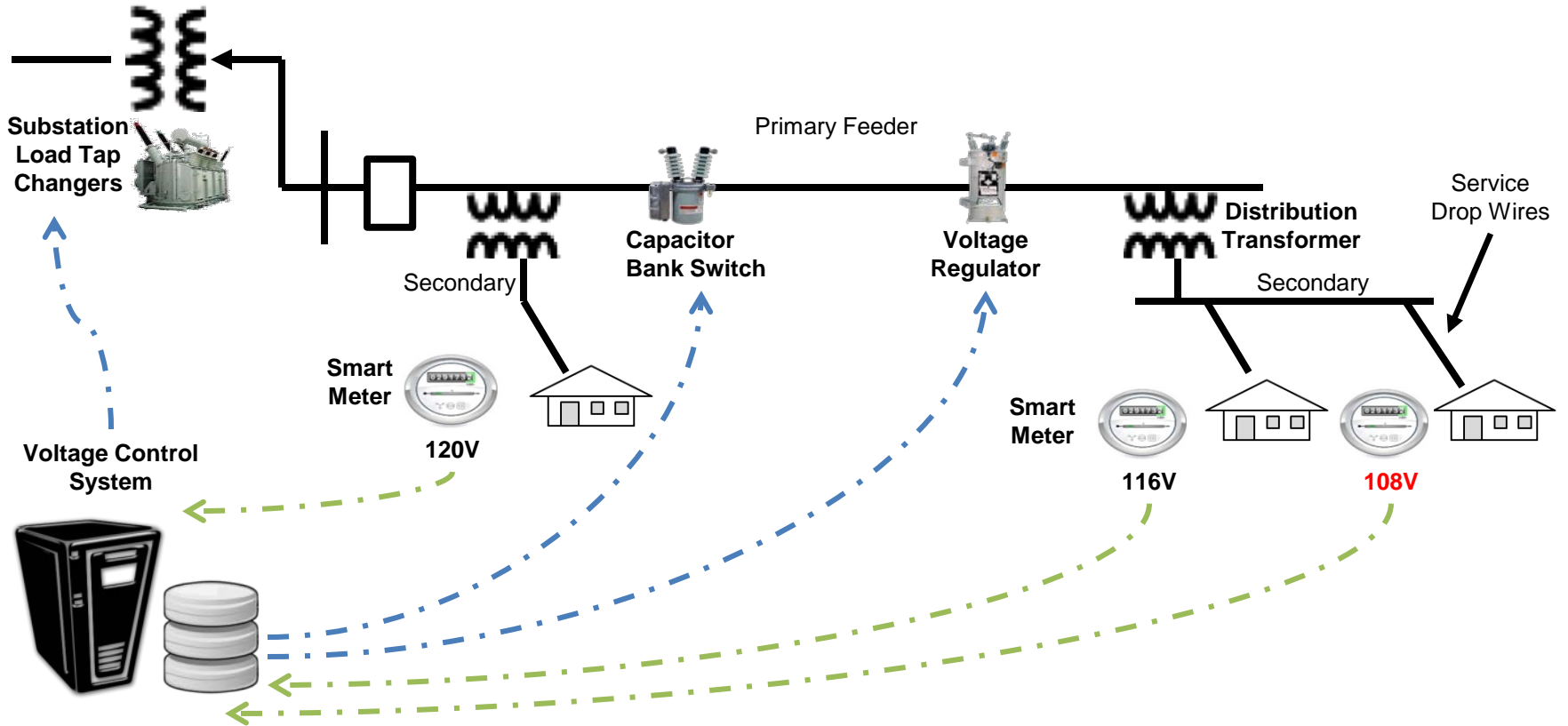
VO/CVR Technology

Primary Sensor Based

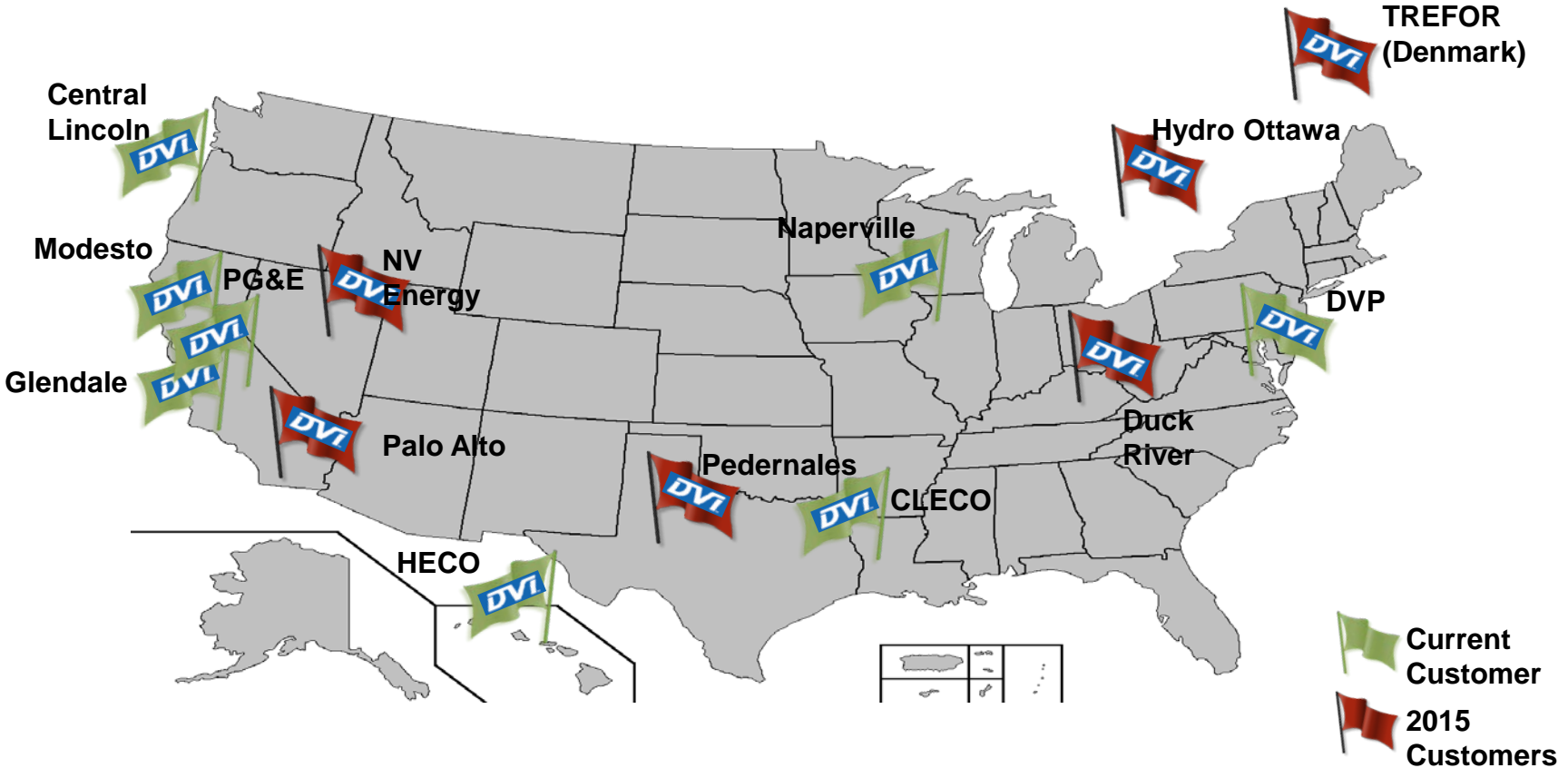


VO/CVR Technology

Smart Meter (AMI) Based



DVI VO Deployment



Glendale Smart Grid VO Project

2.9%
initial project
energy savings

14,500
Mwh saved
each year

\$3.5M
saved over
5 years

- The initial VVO/CVR project was to control one circuit with 3,800 meters.
- Project generated 2.95% energy savings
- Glendale plans on deploying VVO/CVR on remaining circuits over the next few years
- Expected savings to be 14,500 MWh per year
- Avoided costs (savings) at \$65/MWh expected to be \$3.8M

Central Lincoln PUD - Oregon

DOE Smart Grid Investment Grant

- The VO project included one substation, two feeders and 1,400 meters.
- Project began in May for 6 months, during which voltage was reduced from 123.5 to 119.5V.
- Project resulted in 2.15% energy savings or 325 MWh/yr -- from 1 substation.
- Glendale plans on deploying VVO/CVR on remaining circuits over the next few years

“All socioeconomic groups benefit as the 2% customer savings occurred without regard to homeowner or renter status . . . results of the pilot project were so impressive, that Central Lincoln is undergoing plans for a full system wide implement.”

From Central Lincoln DOE Report

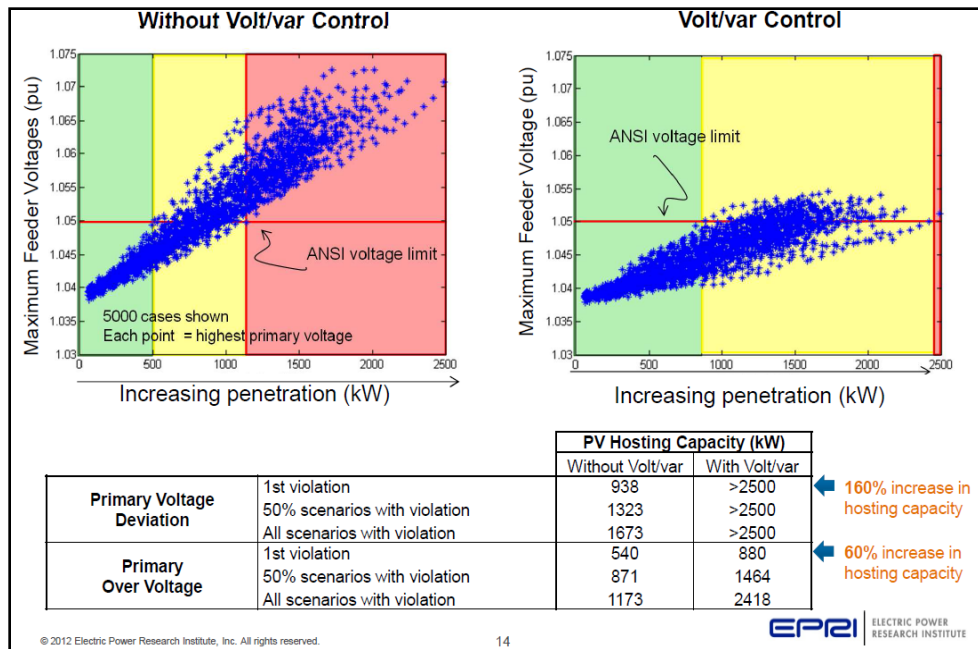
Volt-VAR Optimization (VVO) and CPP Renewable Energy Goals

VVO helps manage load swings caused by:

- Distributed solar generation
- Storage
- Electric Vehicles

VVO stabilizes circuits for more distributed solar

VVO can increase a circuit's hosting capacity by 2x or more.



From EPRI's Volt/VAR Research

CPP's Evaluation, Measurement and Verification (EM&V) Opened for Comments

- ❑ CPP requires energy efficiency energy savings be quantifiable, verifiable, enforceable, non-duplicative, and permanent.
- ❑ An EM&V plan must define a project's baseline and identify independent factors affecting savings.
- ❑ States looking to VO savings should file comments that:
 - ✓ EPA distinguish distribution efficiency from behind-the-meter efficiency methods;
 - ✓ EPA recognize rigorous statistical algorithms are available to measure VO within reasonable confidence total energy savings realized by the utility and customers.
 - ✓ EPA should allow SIPs to adopt certified EM&V software as alternative to EPA's Independent Verifier process.

Questions & Discussions

