

Flexible Load Management Working Group
Straw Proposal for Roles and Responsibilities
May 2, 2025

Background

This straw proposal is provided without prejudice to elicit feedback. It is based on comments received via the Flexible Load Management (“FLM”) Working Group process and on Department of Public Service staff-level initial thinking, and is subject to change.

For context, note that the current VEIC Order of Appointment states:

In the provision of demand-side initiatives and strategies that affect electricity use, VEIC shall...

- F. “Pursue flexible and robust strategies to cost-effectively avoid or control capacity and energy in support of electric Distribution Utility Integrated Resource Planning (“IRP”).” *Section II, Clause 2¹*

Roles and Responsibilities of Distribution Utilities

1. Flexible load management program design and implementation
 - Activation of the flexible load capability is the sole domain of DUs unless third-party assistance is requested.
2. Contract with Efficiency Vermont, as appropriate, if DU-specific flexible load activities are desired
 - Examples include larger incentives than those offered for efficiency statewide, specific activation responsibilities, etc.
3. Ensure comprehensive evaluation of program and flexible load performance on a regular basis
4. Provide incentives, as appropriate, to activate flexible load capability
 - Provide incentives through rate design where appropriate
5. Be customer class agnostic and appropriate for modernized dynamic rates or tariffs

Proposed Roles and Responsibilities of Efficiency Vermont Related to FLM

1. Electric efficiency charge (EEC) funds may be spent on FLM market awareness tasks. EEC funds may not be spent on program design or implementation for specific DU projects or programs.

¹ The full Order of Appointment is available in PUC Case No. 22-1647-PET.

2. Efficiency Vermont (EVT) maintains FLM expertise to allow for the provision, upon request, of statewide technical assistance to distribution utilities' DU FLM efforts.
 3. EVT will focus on statewide efforts, except when contracted directly with one more DUs. Regional or geotargeted efforts may be undertaken when under contract with one or more DUs.
 4. This technical assistance includes:
 - Maintaining awareness of FLM trends and opportunities
 - Identifying flexible load technologies, products, and approaches
 - Building and maintaining market actor awareness, including equipment manufacturers, designers, installers, and third-party actors (such as aggregators)
 - Engaging in supply chain conversations
 - Understand the market opportunities, costs, and challenges of specific FLM device categories
 5. Under contract with DUs, support incentives, rather than mandates, for flexible equipment through EVT programs, thereby enabling flexible capability that DUs can choose to activate
-