

Demand Response Showcase

Request for Proposals (RFP)

Q&A Responses



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The following responses are provided as additional information for the Alberta Energy Efficiency Alliance's Request for Proposals for undertaking a Demand Response Showcase, released April 17, 2025.

Q&A Posted April 27, 2025

- Q1: Can you share the firms that have expressed interest in the RFP to help facilitate potential partnerships on RFP responses?
 - A1: Firms that express interest in the RFP will be contacted to see if they would like to be part of a list that can be shared with other prospective proponents upon request.

- Q2: In the appendix slides, the program indicates a \$1.2M budget on the "larger project". Will all of this funding be used for the proposed DR program, or is it being split for multiple initiatives?
 - A2: The \$1.2 million budget will not be fully allocated for the proposed DR program. This budget will need to support other initiatives as described on pages 1 and 2 of the RFP, and further outlined in the appendix slides.

- Q3: How is AEEA hoping to pay out the chosen DERMS/DR provider? Do you anticipate flat fee, or pay-for-performance model?
 - A3: The payment model is yet to be determined. Proponents are welcome to suggest different options available as well as pros and cons of each model given the unique context for this project.

- Q4: What is the desired program term? Is this just for a one-year pilot, or is AEEA considering a 3-5 year program?
 - A4: Our current funding agreements end March 31, 2028 and we anticipate the DR program will end prior to this date to allow for project communications and reporting activities to be completed. Within these current constraints, there is flexibility for proponents to recommend a program term or different options for program terms.

- Q5: What is AEEA's load shed goal (in MW)? Is there a specific proportion of this desired to come from residential sources rather than C&I?
 - A5: There is no load shed goal currently defined. Proponents may wish to suggest a potential goal in order to help make the case for ongoing demand response programming in the province. There is no specific proportion that needs to come from one sector compared with another; however, we expect it will be valuable to demonstrate cost effective load shed potential from multiple sectors, as seen in other jurisdictions.

- Q6: Do you have target enrollment numbers by device type for the pilot? Since the budget will require a cap on total enrollments, it would be helpful to have rough guidelines—e.g., X thermostats, X EV chargers, X batteries, etc
 - A6: There is no enrollment target (by device or otherwise) currently defined. Proponents may wish to suggest a potential target in order to help make the case for ongoing demand response programming in the province.

- Q7: In the RFP, there's a statement- "This budget needs to cover the activities proposed by the successful proponent, any incentives provided to consumers, support provided to other DSM product and service providers, and all activities undertaken by AEEA and its various contractors for this Project and the broader initiative between April 1, 2025 and March 31, 2028."

Should we assume AEEA may allocate part of the budget to other contractors outside of the selected proponent from this RFP? Or is the 1.2 million budget allocation going to solely be dedicated to the chosen proponent(s) from this RFP?

 - A7: Yes, the AEEA will need to allocate a significant part of the \$1.2 million budget to other contractors outside of the selected proponent for this RFP.

- Q8. Is this in preparation for the Strategic Reserves/Emergency DR program the AESO promised to give more information on later this year? Or is this for a separate program that will be run entirely by the utilities?

- A8: This is a separate initiative from the AESO's work on demand response that the AEEA is working on with several distribution utilities in the province. As outlined on page 8 of the RFP, we expect any distribution utility administered demand response programs to be designed to work well with other approaches to demand response in the province, including those undertaken by the AESO.

Q&A Posted May 6, 2025

- Q9: I appreciate the clarification that a significant portion of the \$1.2 million budget will be allocated to other contractors outside of the selected proponent. To better assess the viability of this opportunity, could you provide a more specific estimate or range of the budget expected to be available to the selected proponent? Understanding whether AEEA's intended allocation to other contractors is closer to 10%, 50%, or another figure would help us determine how best to proceed.
 - A9: We do not have a more specific estimate or range of budget expected to be available to the selected proponent as we have not undertaken a project of this nature previously and are exploring how best to approach it given the information that we will gather through project development processes. Proponents are free to suggest a range of potential budgets, or a pricing formula that includes both fixed and variable (e.g., by participant) costs as outlined in the RFP.
- Q10: Can you help us get an xls file of postal codes for service territories of primary interest for a smart thermostat DR so we can engage our OEM partners to get a sense of how many devices are in the field and forecast what we can enroll in a DR program?
 - A10: Yes, a file can be provided upon request.

Q&A Posted May 19, 2025

- Q11: Are other aspects going to be competitively bid (marketing, stakeholder communication, forecasting upscale potential) etc.?
 - The approach to resourcing other components of the project has not yet been determined. It is likely that this will be done through a combination of approaches including, but not limited to, using existing contractors and competitively bidding other project components.
- Q12: How will the project be evaluated? Will that also be competitively bid?

- The approach to project evaluation and the approach to resourcing / procuring evaluators has not yet been determined.
- Q13: The requirements state “The DERMS / DERMS aggregator should be able to connect to multiple sites with more than one electric distribution service territory.” Do you require one instance of the DERMS platform across multiple distribution service territories? The challenge being if there is one DERMS platform customer data from different utilities will be shared.
 - There is flexibility to how this requirement is met, and we are also open to feedback on any challenges with meeting the requirement. Ultimately, however, our goal is to demonstrate how demand response could work within multiple electric service territories in Alberta.
- Q14: “The AEEA expects to pair the demonstration of DR with energy management support to assist one or more buildings with connecting to the DERMS platform and to implement other energy management practices / systems that can assist with managing both electricity and gas use (including, but not limited to, potential approaches to hybrid heating in buildings).” Are you anticipating DR or commissioning with these buildings?
 - We are open to various approaches to energy management in these buildings and do not have a specific approach in mind. It should also be noted that the RFP proponents may not need to undertake the energy management support themselves, but consider how energy management activities undertaken by others could be approached in a way that is complementary to the DR demonstration.
- Q15: Does the \$1.2M budget include program design and M&V?
 - Yes. All elements of the project need to be undertaken within the \$1.2M budget. Note that there is flexibility in the approach to measurement and verification (M&V) within the project.
- Q16: Is there a preferred method for customers to receive incentives? (eg. on-bill credits, gift card etc.)
 - There is no preferred method currently, but we expect on-bill credits will be more challenging to implement at this stage compared with methods such as gift cards.