October 16, 2012



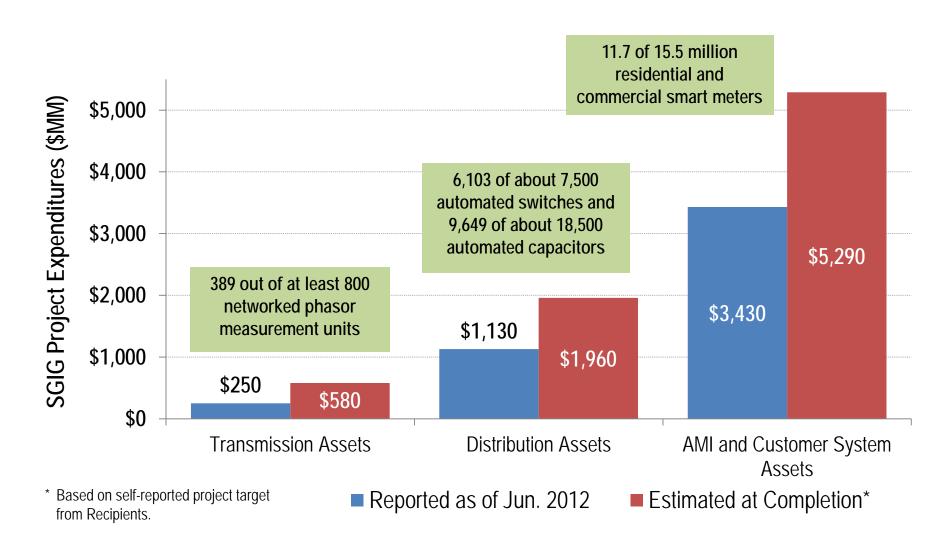
Office of Electricity
Delivery & Energy
Reliability

The Impact of Smart Grid Projects Funded by the Recovery Act of 2009

Joe Paladino
US Department of Energy
Electricity Advisory Committee Meeting, Oct 15-16, 2012



SGIG Deployment Status





Peak and Overall Demand Reduction via AMI, Pricing and Customer Systems

62 SGIG projects (pricing and customer systems offered mostly at pilot scales):

- 56 offering web portals; 46 offering (DLC, PCTs, and/or IHDs)
- 32 offering pricing (TOU, CPP, CPR, VPP)

| Project Elements | OG&E | MMLD | SVE |
|----------------------------|---------------------------|----------------------|---------------------------|
| Project Liements | 770,000 customers | 11,000 customers | 18,000 customers |
| Customers Tested | 6,000 residential | 500 residential | 600 mostly residential |
| Time-Based Rate(s) | TOU and VPP, w/CPP | СРР | СРР |
| Customer Systems | IHDs, PCTs, and Web | Web Portals | Web Portals |
| | Portals | | |
| Peak Demand | Up to 30% | 37% | Up to 25% |
| Reduction | 1.3 kW/customer | 0.74 kW/customer | 0.85 kW/customer |
| | (1.8 kW/customer w/CPP) | | |
| Outcome | Deferral of 210 MW of | Lowers total | Lowers total purchase |
| | peak demand by 2014 | purchase of peak | of peak electricity |
| | with 20% participation | electricity | |
| Customer Acceptance | Positive experience, many | Positive experience, | Interested in continued |
| | reduced electricity bills | but did not use the | participation, many |
| | | web portals often | reduced electricity bills |



Advanced Volt/VAR Control to Improve Energy Efficency

25 SGIG projects are deploying advanced VVC:

- 11 are applying conservation voltage reduction (CVR) to reduce peak load -
 - Up to 200 MW reduction for one utility (over 100's of circuits)
- 7 are using CVR to reduce energy consumption
- Multitude of equipment integration and control schemes
 - Many are applying distributed management systems
 - Some are using smart meter data

OG&E Example:

- Implementing a control algorithm to set voltage levels at the substation
 - Applying smart meter data
 - Capability turned on when power price exceeds \$0.22/kWh
- Achieved 8 MW reduction from application of VVC technology on 50 circuits during Summer 2011
- Goal 74 MW reduction over 400 circuits by 2017 (SGIG contributes to 16 MW)



Reliability Improvements

48 SGIG projects are applying distribution automation technologies to improve reliability:

- 42 deploying automated feeder switches (1 to > 1000's of switches)
 - Enables fault location, isolation and service restoration functions (FLISR)
- Multitude of system integration schemes (AMI/OMS/DMS/SCADA/GIS)
 - 26 projects are applying distribution management systems
 - 36 implementing AMI outage notification
 - 22 deploying equipment health sensors

Initial results from 4 Projects (1,250 feeders) – April 1, 2011 through March 31, 2012

| Reliability Index | Description | Weighted Average (Range) |
|----------------------|--|--------------------------------|
| SAIFI | System Average Interruption Frequency Index (outages) | -22 % (-11% to -49%) |
| MAIFI | Momentary Average Interruption Frequency Index (interruptions) | -22 % (-13% to -35%) |
| SAIDI | System Average Interruption Duration Index (minutes) | -18 % (+4% to -56%) |
| CAIDI | Customer Average Interruption Duration Index (minutes) | +8 % (+29% to -15%) |

Weighted average based on numbers of feeders



AMI: Operational Efficiency Improvements

63 SGIG projects deploying AMI are expecting to see operational efficiency improvements derived from smart meter features:

- Automated meter reading
- Remote service connections / disconnections
- Voltage and power quality monitoring
- Outage and restoration notification

Data from 15 AMI projects over one year shows a 36% reduction in operating costs and 39% reduction in vehicle miles –

- Benefits are attributable to fewer labor resources, overtime hours and truck rolls
- Observations:
 - Projects with low customer density are reducing overtime labor and fuel usage, but staffing requirements are not expected to change significantly
 - Large projects with high customer density are reducing (or shifting) labor resources to 10% of the levels needed prior to SGIG

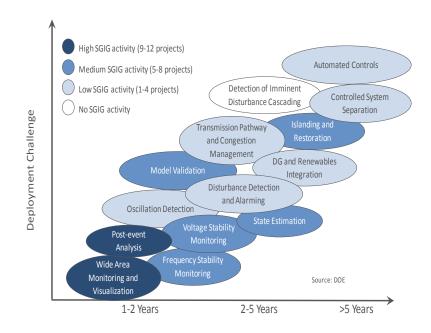


Application of Synchrophasor Technology

Investments in synchrophasor technology are being made by 10 SGIG projects

Midwest Independent System Operator (MISO):

- 161 synchrophasor measurement devices installed and now operating along the 50,000mile interconnected system in the MISO 11-state region.
- MISO expects to make available synchrophasor data to its real-time system operators in April 2013



MISO Applications:

- System Modeling Dynamic model enhancement process to more accurately determine transfer limits on the system
- After-the-fact event analysis To determine an accurate sequence of events and accurate picture of how equipment responded, resulting in more timely and accurate evaluations of disturbances



Questions

