

**Rep. Sloan Participates in GWAC Workshop**

Rep. Tom Sloan (R, Lawrence) participated in a GridWise Architecture Council (GWAC) Transactive Energy Workshop and GWAC meeting. Transactive energy refers to the ability of electric customers to market services to their electric utility and to other customers through bi-lateral communications and pricing.

“Transactive energy is a relatively new concept through which demand management (DM) services are monetized as high technology monitors and communication devices market an electric customer’s willingness to be less comfortable (e.g., reduce air conditioning performance) in exchange for either lower electric rates during that time period or to sell to the utility the value of the reduced electricity demand during a time frame,” Sloan said. “Transactive energy processes allow the establishment of price responsive demand by individual and multiple electric customers. For example, within one building customers may conduct side economic sales of electricity demand reduction independent of utility and regulatory knowledge. In simpler terms, transactive energy can be the equivalent of a virtual power plant by capturing energy conservation opportunities.”

Sloan is the only state legislative member of GWAC and is engaged in the collective effort to establish a theoretical framework by which utilities, customers, regulators, consumer advocates, third-party aggregators, and other stakeholders can understand the value of customers managing their electric use in cooperation with other customers and/or the utility. Transactive energy management generally is focused on reducing peak electric demand to lower utility needs and delay the need for new generation units. It also has value in reducing overall electric use within buildings and between buildings owned by the same customer.

Customers can engage in transactive energy transactions on their own, by using a third-party aggregator, or by contracting with the local electric utility. In each case the goal is to use demand response (reduction in customer electric use) through interactive communications/negotiations to establish individual price responsive demand or the balance of individual comfort with individual price sensitivity.

GWAC was established by the U.S. Department of Energy (DOE) and Sloan not only serves on the GridWise Architecture Council, but also the DOE’s Electricity Advisory Committee. “The education that I receive on evolving technologies and technological capabilities benefits Kansans as I work with electric customers, utilities, and my fellow legislators,” said Sloan. “Workshop participants were interested in the Electric Rate-Making Policy Summit that I convened last month in Lawrence with electric customers, customer advocates, utilities, Governor’s staff, and regulators because it represented one of the first times such groups have met to discuss how technologies can benefit customers and utilities.”

Sloan and GWAC members visited the Southern California Edison (SCE) electricity technology research center. The center involves the use of high powered computing capability to simulate electric grid operations from generation units to home use. The center also tests equipment for manufacturers to determine compatibility with other vendors' equipment, real operational efficiency, and improvement of system performance.

Sloan is Chairman of the Kansas House of Representatives' Vision 2020 Committee and a member of the Transportation and Agriculture & Natural Resources Committees. He is a member of the Federal Communications Commission's Intergovernmental Affairs Committee, the National Conference of State Legislatures' Energy Supply and Military & Veterans Affairs Task Forces, and is Co-Chairman of the Council of State Governments' Interstate Electric Transmission Siting Compact Task Force.

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