



# Demand Response - The role of retailers

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Founded in 2017 by:

ACIE: Asociación de Comercializadores Independientes de Energía / Association of Independent Retailers – SPAIN  
AFIEG: Association Française Indépendante de l'Electricité et du Gaz / French independent association for electricity and gas – France  
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## Chances and benefits: DR as a central tool for the Energy transition



- DR aims to reduce electricity demand or to increase the demand to follow the different signals such as energy generation and grid utilization and to support balancing
- Any electricity market participant can participate and initiate DR actions: consumers, retailers, Distribution System Operators (DSOs), Transmission System Operators (TSOs), suppliers, and aggregators
- A response to a stimulus of price, regional/national grid load or CO2-content seeks to achieve a variety of correlated and beneficial results
- Utilities are predestined to offer DR to customers because to optimize procurement and offer the customer a supply that is both affordable and secure from a single source.
- DR supplements and expands the energy consulting services that are also in demand



## Possible challenges and need for coordination



Distinction must be made between whether the DR is carried out by the utility or by a third party (aggregator).

- In the first case: it is less complex, since the consequences of the DR are realized by the distributor itself and not by a third party. Procurement and change load profiles, as well as the distribution of the profits/costs are in one hand

If DR is executed by a third party that is not the distributor, the consequences are much more complex:

- 3 parties (or more) are involved, whose respective actions affect all others. Special challenges lie in the fact that the DR changes the customer's purchasing behaviour through the aggregator, without the supplier knowing about it beforehand. The supplier then has a different consumption behaviour than that with which he has calculated for the energy purchase, for example, with a load profile.
- If this results in additional costs for the supplier, the question is who bears them?
- A comprehensive (standardized) coordination of the parties involved is therefore absolutely necessary!



THANK YOU FOR YOUR ATTENTION

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