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ENERGY EFFICIENCY IMPLEMENTATION PLANS	**§ §**	**PUBLIC UTILITY COMMISSION OF TEXAS**

COMMENTS OF RECURVE ANALYTICS, INC. ON SMART THERMOSTAT PILOT

Recurve Analytics, Inc. (Recurve) is an industry leader in meter-based demand flexibility. Recurve provides transparent, accessible analytics to track changes in energy consumption and demand for individual buildings and in aggregate to inform planning and facilitate performance-based and market-based transactions for the value delivered from targeted interventions. Recurve supports pay-for-performance, market-based delivery models for demand flexibility to accelerate scaled investment in demand-side resources to make a meaningful contribution to the grid. Recurve's analytics and settlement platform provides utilities, regulators, state agencies, retail electric providers, and other competitive aggregators with transparent, consistent visibility into the impacts of demand-side interventions.

On April 1, 2024, the Alliance for Retail Markets (ARM) and Texas Energy Association for Marketers (TEAM), jointly the "Retail Electric Provider (REP) Coalition"), submitted a proposal to the Commission to deploy smart thermostats as a proposed first step to implementing SB1699 and residential demand response. We support the REP Coalition's proposal. This proposal is an important next step in investing in the future of demand flexibility for Texas. We offer two key recommendations to augment this proposal for the Commission's consideration:

1. Adopt an open-source **standardized measurement and verification method** for consistent visibility and comparability across the multiple TDU and REPs involved in the pilot and report the impacts of the pilot based on measured results rather than deemed impacts or historic demand response baselining methods.
    a. Methods should be applied consistently across TDUs and REPs

b. Consider using available open-source standard[1], which allows tracking the combined impacts of smart thermostats delivering both energy efficiency and demand response impacts.

2. Open the **pilot to allow participation by any REP** and be paid based on the value of the delivered impacts.

    a. Limiting the pilot to a few REPs would unnecessarily constrain the impacts if and where REPs are ready and willing to engage.

    b. This pilot can be an important first step in building stronger mechanisms for REPs to contribute to demand flexibility solutions.

In conclusion, we endorse the plans to invest in technologies that can facilitate demand flexibility in Texas in order to ensure reliability and affordability. While a smart thermostat pilot is a good start, it should not be considered sufficient on its own. Instead, we encourage the PUCT to use it as a first step to establish key principles and practices, such as standardized measurement and open-market models that are tied to performance and accountability, that pave the way for scalability of the demand flexibility portfolio as a whole.

We appreciate the opportunity to comment on this pilot and are available to answer questions about our positions or proposed solutions.

Respectfully Submitted,

Carmen Best
Recurve Analytics, Inc.

[1] The FLEXmeter methods, leveraged in other jurisdictions, are an example of an industry-standard open-source method that could be adopted for consistency in quantifying the impacts of the pilot in the two dimensions of long term efficiency and short term demand response.