# 1.2.4: Grid Services and Technologies Valuation Framework

## **Project Description**

The project will develop a framework enabling electricitysector stakeholders to conduct, interpret, and compare Engage Stakeholders for Guidance and Review

valuation studies with high levels of **consistency**, **transparency**, **repeatability**, **and extensibility**. The effort is grounded in a **long-term vision of "Generally Accepted Valuation Principles**" as a paradigm for valuation as a mature, sophisticated process.

### **Expected Outcomes**

 The framework will be *guidance—not another model*—creating a systematic decision process by which studies can be interpreted and conducted with key assumptions made transparent. Establish and Maintain a Long-Term Vision for Valuation

Improve and Demonstrate Framework Through Test Cases

An industry-vetted, demonstrated, and operationalized process with practical products supporting improved power-sector decision making incorporating value beyond monetary savings and costs to build a more affordable, sustainable, flexible, reliable, resilient, and secure grid.

### **Progress to Date**

- Engaged Stakeholder Advisory Group of key decisionmakers (including commissioners, legislators, utilities, investors, consumer advocates, and more).
- Development of a draft framework decision process

Valuation Framework

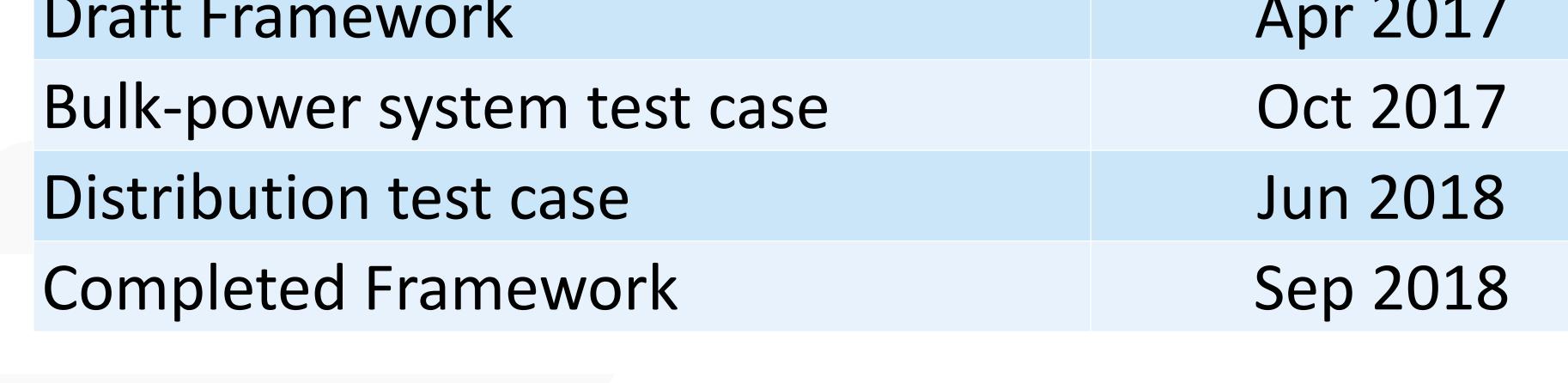
Draft and

Revise the

Creating a **useful and used framework** requires engaging with stakeholders to meet emerging needs, credible demonstration with industry, and working towards a Long-Term Vision of Generally Accepted Valuation Principles

Significant Milestones	Date	
Establish and engage Advisory Group	Sep 2016	
Review state of valuation practices	Jan 2017	
Draft Frame autorile		

grounded in current best practices, challenges, and future needs. **Next step: test cases** to exercise and revise the framework.



#### U.S. DEPARTMENT OF ENERGY



