

# *Generic Demand Response Cost Estimates for 2011 CARIS I Study*

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**Draft – for discussion only.**

# *CARIS I 2011*

- ◆ **Economic Planning Studies Required**

- *First CARIS I performed 2009*

- *Released January 2010:*

*[http://www.nyiso.com/public/webdocs/services/planning/Caris\\_Report\\_Final/CARIS\\_Final\\_Report\\_1-19-10.pdf](http://www.nyiso.com/public/webdocs/services/planning/Caris_Report_Final/CARIS_Final_Report_1-19-10.pdf)*

- *Second CARIS I to be completed 2011*

- ◆ **Objectives for CARIS I include:**

- *Identify Congestion on the NYS Bulk Power System*
- *Develop three generic solutions (transmission, generation, demand response) to mitigate identified congestion on major interfaces*

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## *Basis for 2009 Estimates (Appendix C)*

- ♦ **Assumptions**
- ♦ **1. *Estimates herein should not be utilized for purposes outside of the CARIS process. Also, these estimates should not be assumed as reflective or predictive of actual projects or imply that facilities can necessarily be built for these generic solution order of magnitude estimates. Estimate ranges were identified after Transmission Owner input and reaching consensus at the ESPWG.***
- ♦ **2. Costs are based on representative NY utilities' Demand Side Management filings.**
- ♦ **3. Expected peak demand impact was used to scale the present value of the total portfolio budget to produce 100MW peak reduction.**
- ♦ **4. Costs from each portfolio are based on 10 years of peak demand reduction.**
- ♦ **5. Cost estimation is developed by dividing each year's cost by the peak demand reduction for that year and then calculating the present value of the \$/MW over a 10 year period.**
- ♦ **6. The range is derived from the utility filings as the "Low" and the "Mid" and "High" represents 2 and 3 times the "Low", respectively.**
- ♦ **7. Due to a lack of Demand Response filing data for Upstate, it is assumed that the Upstate costs will be 75% of the Downstate costs. This is representative of the cost difference that exists between the Energy Efficiency programs for the two areas.**

# *Demand Response Pricing 2009*

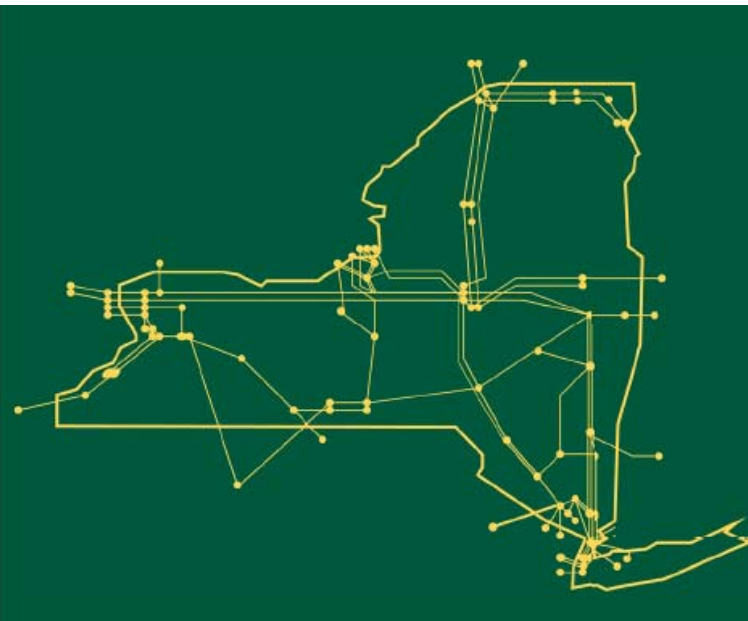
- ♦ **Generic Pricing from CARIS Appendix E**
  
- ♦ **D-1 High Energy Efficiency (100 MW Blocks)      \$420M**
- ♦ **D-2 High Demand Response (100 MW Blocks)    \$160M**
  
- ♦ **D-1 Mid Energy Efficiency (100 MW Blocks)      \$280M**
- ♦ **D-2 Mid Demand Response (100 MW Blocks)    \$110M**
- ♦
- ♦ **D-1 Low Energy Efficiency (100 MW Blocks)      \$140M**
- ♦ **D-2 Low Demand Response (100 MW Blocks)    \$50M**

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## *Discussion*

- ◆ **Comments on 2009 estimated values**
- ◆ **Sources for 2011 updates**
- ◆ **How readily available is this information for those that choose to respond, and how long might it take to provide this information?**
- ◆ **Other?**

The New York Independent System Operator (NYISO) is a not-for-profit corporation responsible for operating the state's bulk electricity grid, administering New York's competitive wholesale electricity markets, conducting comprehensive long-term planning for the state's electric power system, and advancing the technological infrastructure of the electric system serving the Empire State.



[\*www.nyiso.com\*](http://www.nyiso.com)