Proposed EDRP and SCR Program Changes for 2004

March 17, 2004

BIC Meeting

EDRP Issues – Manual Changes

Changes for 2004

- Eliminate requirement that CSPs submit to the NYISO copies of DEC permits for Distributed Generation resources
- Clarify that CSPs, not NYISO, are responsible for adhering to the 200 hour per year DG operating limit and for notifying NYISO when DG units have been activated in response to Transmission Owner requests/calls
- Amend certain deadlines by which the NYISO will notify LSEs of customer registrations in the EDRP program, as well as deadlines by which program participants will be deemed registered in the absence of specific action by the NYISO
- Allow Distributed Generation to receive energy payments for output in excess of the host facility's load.
    - CSPs must certify that:
        - Utility parallel interconnection requirements have been met, and;
        - Any regulatory approvals required to sell energy at wholesale have been obtained

SCR and EDRP – DG with Net Export

- Current EDRP and SCR rules prohibit DG from being paid for energy production in excess of host load and restrict SCR UCAP credit for directly metered generation to the host load. Manual is silent in net metering situations.

- The value to the NYISO of energy/capacity in excess of host load is the same as energy/capacity less than host load

- NYISO believes that EDRP and SCR program rules should be modified to allow UCAP credit and energy payments for generation in excess of host load.

- PRLWG Members generally concurred at March 1 meeting.

Errata

- EDRP Manual Page 2:
  - *"Eliminate requirement that CSPs obtain DEC permits for Distributed Generation resources."* should read *"Eliminate requirement that CSPs <u>submit</u> DEC permits for Distributed Generation resources to NYISO."*
  - 5.2.1 *"….Remove requirement that DG units be permitted by DEC"* should read *"…Remove requirement that DG <u>submit permits</u> to NYISO"*

Errata (cont.)

- ICAP Manual 4.12.2 para. 3:
  - □ *"An SCR may specify a load in excess of its facility load"* should read *"An SCR may specify <u>generation</u> in excess of its facility load"*