



# **ICAP and EDRP Manual Updates for Demand Response Programs**

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# Overview

- **NYISO presented clarification and clean-up revisions for the ICAP and EDRP Manuals at the 03/24/2016 ICAPWG in order to provide transparency of existing practices to stakeholders**
- **NYISO received feedback on the materials presented from stakeholders; today's presentation incorporates that feedback**
  - *Further explanation of language in ICAP Manual Section 4.12.4.3 (testing requirements)*
  - *Minimal update to proposed language in ICAP Manual Section 4.12.6 (utility bill requirements)*
  - *Further explanation of how Demand Response Operations (“DRO”) team uses a SCR’s load reduction plan to validate its enrollment information*

# Explanation of Testing Requirements in ICAP Manual Section 4.12.4.3

- Section 4.12.4.3 has the following proposed language: “....SCRs enrolled and accepted by the NYISO on or before the date that is four (4) business days prior to the date of the first performance test in the Capability Period (excluding the date of the performance test) may also be required to perform in the second performance test in the Capability Period...”
  - *Clarifies existing requirement that a resource required to demonstrate performance in the first performance test or in a mandatory event may also be required to perform in the second performance test if it meets the specified criteria*
  - *For example, if the first performance test was on a Friday on the 10th day of a month, a SCR enrolled with and accepted by the NYISO on or before the Monday prior to the 10th (i.e., accepted on the 6th):*
    - Must demonstrate performance either in the first performance test or in a mandatory event
    - May also be required to perform in the second performance test if it meets the specified criteria (the proposed language clarifies this existing requirement)

## **Section 4.12.6 - Additional RIP Requirements: Revision to Proposal to Provide Utility Bill**

- **Language clarification to reflect that the electric utility bill must not be older than two months prior to the calendar month in which NYISO requested documentation**
  - *“The electric utility bill must have been issued within two months of the calendar month in which the NYISO requested the documentation.”*

# Load Reduction Plan

- A Load reduction plan helps DRO verify that the enrolled SCR has a process it follows to reduce Load during NYISO-initiated tests or events in order to deliver its enrolled capacity
  - *NYISO already requests this information from RIPs when needed in order to verify that enrolled SCRs are capable of delivering enrolled capacity*
- DRO asks for a load reduction plan as part of two processes:
  - *Pending Enrollments – When a SCR’s enrollment is set to a status of “Pending” by DRIS due to RIP-reported enrollment changes to monitored fields, DRO seeks additional information before the change can be approved*
    - Section 7.5.3 of the NYISO’s DRIS User’s Guide lists the monitored fields
  - *Enrollment Verification – DRO may request a SCR’s load reduction plan in order to verify enrollment information to ensure data accuracy and/or review SCR’s performance*

# Load Reduction Plan - Example

- **RIP reports that a SCR has changed Response Type from “Type C” (curtailment-only) to “Type G” (generation-only)**
  - *Response Type is a monitored field*
- **DRIS automatically sets SCR’s enrollment to a status of “Pending”; DRO follows-up with the RIP to verify changes**

# Load Reduction Plan – Example (cont'd)

- **The load reduction plan provided by the RIP will indicate whether the SCR uses a Local Generator to facilitate load reduction**
  - *Helps verify the SCR's Response Type as reported by the RIP during enrollment*
  - *Helps validate the Local Generator's nameplate rating reported by the RIP*
- **Load reduction plan helps NYISO validate that the SCR can deliver the capacity enrolled**

## **Section 4.12.6 – Additional RIP Requirements: Revision to Proposal to Require RIPs to Provide a Load Reduction Plan**

- **Clarified that the SCR's declared value for the auction month for which the NYISO requested documentation must not exceed the sum of kW Load reductions expected from each step of the SCR's load reduction plan**
  - *NYISO uses the load reduction plan to validate the SCR's enrollments for future capacity auctions*



# Next Steps

- **Propose changes at the May 18, 2016 BIC**

**The Mission of the New York Independent System Operator, in collaboration with its stakeholders, is to serve the public interest and provide benefit to consumers by:**

- *Maintaining and enhancing regional reliability*
- *Operating open, fair and competitive wholesale electricity markets*
- *Planning the power system for the future*
- *Providing factual information to policy makers, stakeholders and investors in the power system*

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# **Appendix: Slides presented at the 3/24/2016 ICAPWG**

# Overview

- **NYISO's Demand Response Operations (“DRO”) team is proposing updates to the ICAP and EDRP Manuals in order to provide transparency of existing practices to Stakeholders**
- **The EDRP Manual is being recertified**
- **The NYISO is not proposing any new obligations; all revisions are clarifications and clean-up of existing language**
  - *All clarifications will be discussed*
  - *Ministerial changes and clean-up of existing language are noted at the end of the presentation*

# Topics

- **Revisions to Enrollment Procedures and Data**
- **Clarifications to SCR Performance Data Reporting**
- **Meter Data Corrections**
- **Revisions to Reflect Scarcity Pricing Tariff Language and CBL Calculation**
- **Additional EDRP Manual Clarifications**
- **Ministerial Changes & Clean-up**
- **Next Steps**

# Enrollment Procedures and Data – ICAP Manual Revisions

- **Section 4.12.2 – General RIP Requirements**
  - *Incorporated Technical Bulletin 201 and clarified the process for enrolling SCRs with multiple account numbers located at a single service address*
  - *Clarified that a SCR's Local Generator must only have the approvals needed to operate for the purposes of reducing wholesale Load; removed obsolete language requiring a SCR to have utility interconnection agreements*
  - *Described in detail the determination of a SCR's "Response Type" that must be identified at enrollment (as described in Section 7.3 of the DRIS User's Guide). Similar update has been made to Section 5.1.2 of the EDRP Manual*
- **Section 4.12.4.2 – Provisional ACL Performance Obligations**
  - *Added language requiring RIPs to maintain records of compliance with Section 5.1 of the EDRP Manual and of a SCR's meter installation date*

# Enrollment Procedures and Data – ICAP Manual Revisions (cont'd)

- **Section 4.12.6 – Additional RIP Requirements**
  - *Provided an explanation of the documentation needed to verify a SCR's enrollment information*
    - NYISO already requests this information from RIPs when needed in order to ensure that enrolled SCRs are capable of delivering enrolled capacity
    - DRO is proposing to incorporate these processes into the ICAP Manual to provide greater transparency
  - *Clarified that a RIP must enroll a SCR with its exact service address*
  - *Added language to explain that a SCR's declared value must not exceed the sum of kW Load relief described in the SCR's load reduction plan*

# SCR Performance Data Reporting - ICAP Manual Revisions

- **Section 4.2.2 – SCR-specific DMNC Testing Requirements**
  - *Removed obsolete language requiring RIPs enrolling SCRs with Local Generators to submit DMNC data*
- **Section 4.12.2 – General SCR Testing Requirements**
  - *Clarified that a SCR enrolling as Response Type G must only report the amount of generation that facilitates Load reduction from the grid during a NYISO event or performance test*
- **Section 4.12.4 – Performance Obligations for SCRs**
  - *Incorporated Technical Bulletin 164 about requesting SCRs to participate in a Targeted Demand Response Program (TDRP) activation and added reference to Section 6 of the EDRP Manual*



# SCR Performance Data Reporting - ICAP Manual Revisions

- **Sections 4.12.4.3 (Changes to ACL), 4.12.4.5 (Testing of SCRs)**
  - *Clarified language that the NYISO will use a SCR's greatest Load reduction across all mandatory event hours and the first performance test hour in a Capability Period for purposes of evaluating the SCR's first test performance*
    - This happens regardless of the timing of a mandatory event with respect to the first performance test
- **Section 4.12.6 – Additional RIP Requirements**
  - *Removed obsolete language regarding submission of operations logs to demonstrate SCR's performance*

# Meter Data Corrections

- **NYISO at times receives requests from RIPs to correct inaccurate meter data (e.g., when a SCR's billing meter data is corrected) submitted for a SCR after the reporting deadline has passed**
- **DRO employs a process of limited scope to accommodate reasonable cases**
  - *NYISO will consider correcting only meter data that directly affects a SCR's ability to sell in a future capacity auction. Section 4.12.4.9 of the ICAP Manual lays out the timelines and meter data that the NYISO will consider correcting*
- **NYISO's objective is to use the most accurate data for future capacity auctions, and proposes revisions to Section 4.12.4 to provide transparency to the DRO process**

# Scarcity Pricing & Demand Response Payments – ICAP Manual Section

- **Section 4.12.7 SCR Demand Response Payments**
  - *NYISO proposes removing language made obsolete with the Tariff revisions implemented in 2013 as part of the Enhanced Scarcity Pricing Project (Docket Number ER13-909-000)*
    - **Minimum payment nominations of SCRs are no longer used for setting Scarcity Pricing**
  - *Clarified CBL data reporting process for a SCR that has fewer than five CBL days. Similar update has been made to Section 5.4.2 of the EDRP Manual*

# Additional Revisions in the EDRP Manual

- **Section 2.6 – Compatibility with other NYISO Demand Response Programs**
  - *Renamed the section to better reflect the content*
  - *Removed unnecessary and unhelpful language not related to NYISO DR programs*
  - *Replaced redundant language on calculations of payments for resources with reference to Section 5.4.2 Calculation and Payments of the EDRP Manual*
- **Section 3.1 – Requirements for CSP Enrollment**
  - *Removed reference to the retired CSP enrollment form*

# Language Cleanups and Ministerial Changes

- **ICAP Manual Sections:**

- *4.3.3.1, 4.3.3.2, 4.4.7, 4.12.2, 4.12.2.1, 4.12.2.1.2, 4.12.2.1.4, 4.12.2.1.5, 4.12.4.1, 4.12.4.2, 4.12.4.3, 4.12.4.4, 4.12.4.5, 4.12.4.6, 4.12.4.8, 4.12.4.10.1, 4.12.6, 4.12.7*

- **EDRP Manual Sections:**

- *1.2, 2.3, 2.4, 2.5, 2.6, 4.3, 4.4, 5, 5.2.2, 5.2.4, 5.3, 5.4.2*