

# Update to Proposed DR Backstop

**Stacia Wilcox**

*Market Product Specialist, Demand Response Products  
New York Independent System Operator*

**Joint Market Issues, Installed Capacity and Price-  
Responsive Load Working Groups**

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*NYISO, Rensselaer, NY*

# Topics

- ◆ **Supreme Court Update**
- ◆ **Modifications to proposed Tariff revisions presented at the MIWG/ICAP/PRLWG on April 30, 2015**
- ◆ **Additional Stakeholder Feedback**
- ◆ **Next Steps**

# Supreme Court Update

- ◆ On May 4<sup>th</sup> the United States Supreme Court granted Certiorari of the FERC's petition in FERC v. EPSA, limited to the following questions:
  - ◆ *Whether the FERC reasonably concluded that it has authority under the Federal Power Act to regulate the rules used by operators of wholesale electricity markets to pay for reductions in electricity consumption and to recoup those payments through adjustments to wholesale rates*
  - ◆ *Whether the Court of Appeals erred on holding that the rule issued by the FERC is arbitrary and capricious*
- ◆ The Court is expected to take up the case in the Fall of 2015 but as of yet no date has been set for the hearing

# Modification to Proposed Tariff Revisions

- ◆ **Section 5.11.5 Capacity Requirement Offset Program**
  - *Clarified this new section that describes how an LSE may offset its Unforced Capacity Obligation with a Capacity Requirement Offset*

# Continued Obligations of the RIP Following the Effective Date of Section 5.11.5

- ◆ **Sections:**
  - *5.12.11.1 Rules for Responsible Interface Parties that Provided Installed Capacity Prior to the Effective Date of Section 5.11.5 of this Services Tariff*
  - *5.14.2.1 General Provisions (within 5.14.2 Installed Capacity Supplier Shortfalls and Deficiency Charges)*
  - *5.14.2.3 Additional Provisions Applicable to RIPs*
- ◆ **All SCR program obligations, including reporting, performance, and shortfalls, will remain in place**

# **Continued Obligations of the RIP Following the Effective Date of Section 5.11.5 - continued**

- ◆ **“Responsible Interface Parties that sold Installed Capacity from a Special Case Resource in the Capability Period in which Section 5.11.5 becomes effective, or in the two immediately preceding Capability Periods, shall remain obligated to comply with all reporting and performance obligations, as well as be subject to any applicable deficiencies and sanctions, associated with such sales that are imposed by this Services Tariff and ISO Procedures provided, ~~however, that this provision shall expire twenty-four months (24) after the effective date of Section 5.11.5 of this Services Tariff.~~”**

# Continued Obligations of the RIP Following the Effective Date of Section 5.11.5 - continued

- ◆ Data retention
  - *Per MST Attachment O; Section 30.6.3 Data Retention*
- ◆ Participation in NYISO governance
  - *Upon the effective date of the Capacity Requirement Offset Program, RIPs will no longer be “suppliers” of capacity, and will not be able to participate in the “Other Suppliers” sector*
  - *REPs may become an authorized representative of their End-Use Customers and participate in the “End-Use” sector*

# Mitigation of Capacity Offset Demand Resources

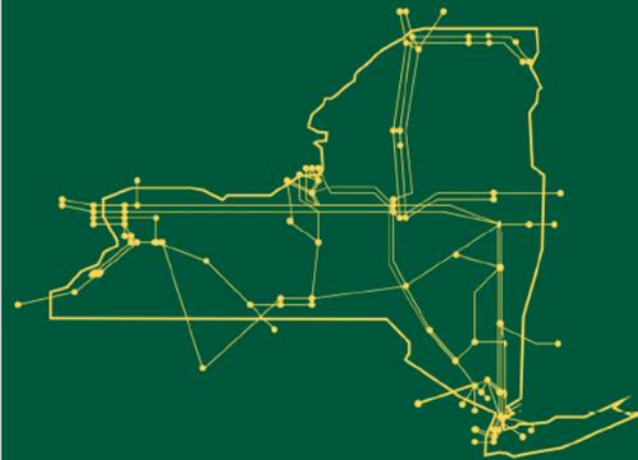
- ◆ **NYISO will evaluate the outcomes of the following proceedings:**
  - *The current proceedings related to SCR mitigation*
  - *A decision by the Supreme Court in FERC v. EPSA*



# Next Steps

- ◆ **Continue to administer the NYISO demand response programs per current tariff and program rules**
- ◆ **Continue to monitor the Supreme Court for hearing and outcome of FERC v. EPSA**
  - *Hold all proposed tariff revisions and implementation plans for the Capacity Requirement Offset Program until direction is provided by FERC*

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