

# Participation of Behind the Meter Net Generation in NYISO markets

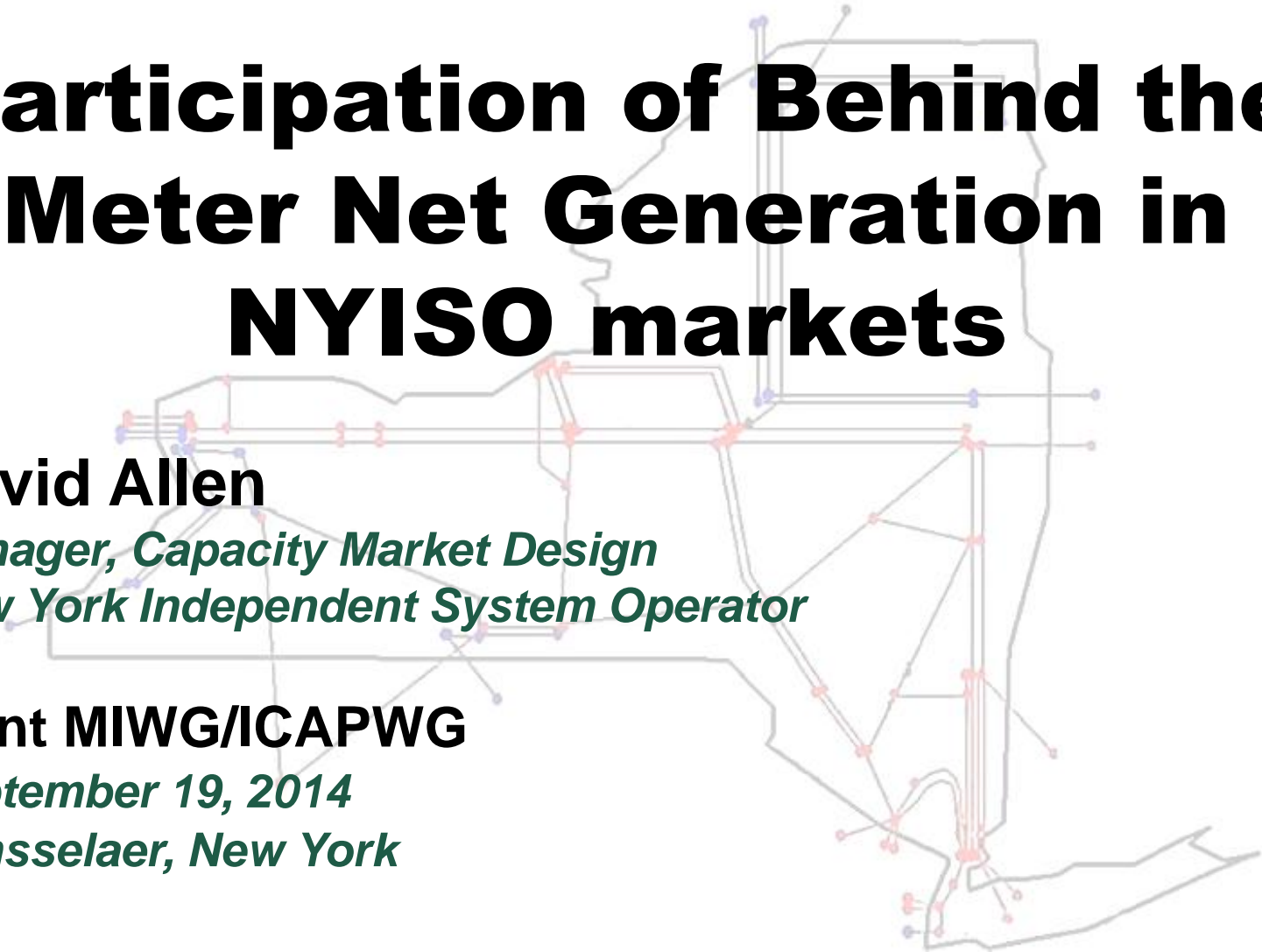
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**Joint MIWG/ICAPWG**

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# Background

- ◆ Recently there have been several requests from generators that serve load behind the meter to allow them to participate in the NYISO wholesale markets as a generator
  - *E.g., Re-Energy Black River's proposal presented at the July 7, 2014 MIWG*
- ◆ The behind the meter generators have excess or 'net' generation capability after serving its retail load
- ◆ Generators have requested that they be allowed to participate in the NYISO energy and capacity markets with this net generation
- ◆ The NYISO BPWG process has identified a market design project for 2015
  - *Allow eligible behind the meter generation that serves retail load to sell the 'net' generation into the wholesale market*

# Benefits of the Behind The Meter Net Generation Project

- ◆ **Improve awareness of resources not currently participating in the NYISO markets.**
- ◆ **Access to this additional supply may improve grid reliability and operational flexibility**
  - *The NYISO is aware of over 100MW of net behind the meter generator capability not currently available to the wholesale markets*
- ◆ **Provide more clarity and certainty for future resource investment within New York State**

# Approach

- ◆ **Provide an overview of the current rules that allow for ‘behind the meter’ generation to participate in the NYISO’s wholesale markets**
- ◆ **Work with stakeholders to identify additional opportunities within current rules**
- ◆ **Define the eligibility and performance criteria that a Behind the Meter: Net Generator resource (BTM: NG) must meet to participate in the NYISO wholesale markets as a generator**
- ◆ **Identify market administrative and reliability planning issues that may arise with a significant penetration of BTM: NG MW**
- ◆ **Identify jurisdictional issues, if any**
- ◆ **Propose market rules**

# Today's Wholesale or Retail Program Options

- ◆ **Wholesale Generator/Retail Load**
  - *Entire Generator moves in front of the meter*
  - *Load and Generator are not directly associated within the wholesale market*
  
- ◆ **Wholesale Generator/Wholesale Load**
  - *Load is a direct wholesale customer (i.e., LSE) that self supplies with the generator (e.g., via wholesale market bilateral contracts)*
  
- ◆ **Retail Generator/Retail Load**
  - *Generator acts as a load modifier*
  - *May inject excess generation via distribution company's retail tariffs*

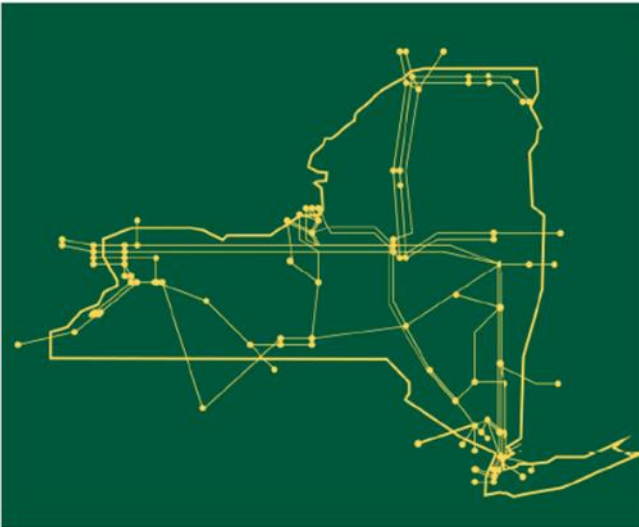
# Getting Started & Moving Forward

- ◆ Continue to provide stakeholders with information on the current market rules
- ◆ Identify opportunities for BTM: NG within the current market rules
- ◆ Understand how other ISOs/RTOs address behind the meter generation
- ◆ Develop market rules with stakeholders that fairly allow BTM: NG to participate in the wholesale market as a generator
  - *Planning for a Market Design for vote in 2015*
- ◆ Monitor related initiatives, including NYS DPS Reforming the Energy Vision, distributed solar initiatives, and FERC Order 745
  - *These initiatives are underway and may ultimately impact the relationships between the retail and wholesale rules*

# Next Steps

- ◆ **Review feedback received from stakeholders.**
  - *Written comments are due by September 26, 2014 and can be sent to [deckels@nyiso.com](mailto:deckels@nyiso.com)*
- ◆ **Come back to a joint ICAPWG/MIWG in Q4 2014 to continue discussion**

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.



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