

Elizabeth B. Stein Senior Manager, New York Clean Energy Law and Policy Environmental Defense Fund 257 Park Avenue South New York, New York 10010 <u>estein@edf.org</u> (212) 616-1327

Date: June 28, 2018

<u>VIA ELECTRONIC MAIL</u> Mr. Shaun Johnson New York Independent System Operator, Inc. Director of Market Mitigation & Analysis 10 Krey Boulevard Rensselaer, New York 12144 sjohnson@nyiso.com

Re: Comments Regarding Proposed Rules to Apply Buyer-Side Mitigation for Energy Storage and DER Market Participation

Dear Mr. Johnson,

We are filing this letter in response to the New York Independent System Operator's (NYISO) proposals to apply Buyer-side mitigation (BSM) to distributed energy resources (DER) and energy storage resources (ESR) that participate in the Installed Capacity market. It is our understanding that the application of BSM to such resources could undermine New York State public policy, particularly by inhibiting the deployment of ESR and DER in New York State. Cooperative federalism, elemental to the Federal Power Act, favors complementary activity by state and federal entities. NYISO should thus carefully guard against activity that undermines, rather than complements, New York State's public policy efforts, including state policy efforts on DER and ESR. To this end, EDF supports the comments filed on June 18, 2018 by the Department of Public Service and the New York State Energy Research and Development Authority concerning the appropriateness of applying BSM rules to ESR and DER.

Respectfully submitted,

Elizabeth B. Stein

New York, NY / Austin, TX / Bentonville, AR / Boston, MA / Boulder, CO / Raleigh, NC Sacramento, CA / San Francisco, CA / Washington, DC / Beijing, China / La Paz, Mexico Totally chlorine free 100% post-consumer recycled paper