



June 20, 2012

Ms. Leigh Bullock
Ms. Donna Pratt
New York Independent System Operator, Inc
10 Krey Boulevard
Rensselaer, NY 12144

Re: Recommendations for market rule changes; inclusion of the changes in the 2013 project plan and budget

Dear Ms. Bullock and Ms. Pratt:

We are writing this letter on behalf of the following:

- Consolidated Edison Solutions, Inc. (“ConEd Solutions”)
- Viridity Energy, Inc. (“Viridity”)
- Energy Curtailment Specialists, Inc.
- EnergyConnect by Johnson Controls, Inc.
- Pace Energy and Climate Center
- EnerNOC, Inc.
- Comverge, Inc.
- North America Power Partners LLC
- NuEnergen, LLC

ConEd Solutions and Viridity appreciate the opportunity that you provided to make presentations to the Market Issues Working Group and the Price Responsive Load Working Group on April 26, 2012. Our presentations requested consideration of the following proposals:

- Changes to the DADRP, to reduce the minimum offer size below the current 1 MW threshold, and to allow aggregation of customers served by different load-serving entities; and
- Changes to the DSASP, to reduce the minimum offer size below the current 1 MW threshold, and to allow a demand resource to participate in both DSASP and DADRP rather than require the resource to choose only one or the other.

We recognize that the April 26 proposals represent only two of the demand response issues to be addressed by NYISO stakeholder processes. Two other key issues for demand response also deserve consideration as high priorities:

- Enabling demand resources to participate in the real-time energy market; and
- Addressing concerns about the ability of the Average Coincident Load to provide a reasonable baseline to measure SCR performance, due to weaknesses of the ACL outside of the Summer Capability Period, the inability to accommodate demonstrable growth in the customer’s load, and the inability to use a provisional ACL that would make it more feasible for a customer to change RIPs.

We appreciate Ms. Pratt's clarifications of the requirement for resources offering into DSASP to make an offer in the DADRP of at least \$75/MWh, and that DSASP resources can be aggregated across multiple LSEs. In addition, at the April 26 meeting, Ms. Pratt had asked whether any market participants in addition to ConEd Solutions and Viridity supported the proposed changes we presented. We are pleased to report that ECS, EnergyConnect, Pace, EnerNOC, Viridity, and ConEd Solutions support having the stakeholder process put a high priority on the April 26 proposals, the real-time energy market issues, and the concerns about the ACL.

All of the supporters of this letter respectfully request that the stakeholder process begin to address all of these issues without delay, because all of them are necessary to have robust participation by demand resources in the NYISO markets. We would appreciate the opportunity to discuss all of these issues in the Budget and Priority Working Group's review of the 2013 Project Plan and Budget.

Very truly yours,

Norman Mah

Norman Mah
Regulatory Manager
Consolidated Edison Shared Services

Samuel A. Wolfe

Samuel A. Wolfe
Managing Director, Legal & Regulatory Affairs
Viridity Energy, Inc.

c: Rana Mukerji, NYISO
Aaron Breidenbaugh, EnerNOC
Marie Pieniazek, Energy Curtailment Specialists
Jackson Morris, Pace Energy and Climate Center
Glenn Haake, Haake Energy Consulting LLC, for EnergyConnect
Sandy Hamilton, NuEnergen LLC
Stephen Geoghan, Comverge, Inc.
Frank Lacey, Comverge, Inc.
Shelly Ann Maye, North America Power Partners LLC