

# DSASP Small Customer Aggregation

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# Smaller DR Resources in Ancillary Services Markets

- ◆ FERC Order 719 - Paragraph 97:
  - *Assessment of technical feasibility and value of smaller DR Resources providing ancillary services within one year of the Order (Oct 17, 2009)*
    - Report findings on whether (and how) smaller DR Resources can reliably and economically provide operating reserves
    - Need for M&V and definition of what constitutes a “small demand response resource”

# Ancillary Service Small Customer Aggregation Pilot

- ◆ Creating a separate pilot project will be difficult to manage for Operations
  - *If not modeled as a resource, how would pilot be managed/dispatched?*
- ◆ Would require alternative ways to send 6-second signals to participating resources
  - *Workaround for a pilot may not reflect requirements of actual market participation*
- ◆ As a result
  - *NYISO will proceed with development of market rules to allow aggregations of small DR to provide ancillary services*

# Coordination with IRC PHEV recommendations

- ◆ IRC is developing recommendations for allowing PHEV to provide ancillary services
  - *Target date for report to CEOs is October 2009*
- ◆ Similarities between PHEV and aggregations of small DR resources
  - *Communications/telemetry*
  - *Market Rules*
  - *M&V*
- ◆ Specific requirements of PHEV and aggregations will differ
  - *Create separate set of recommendations for small DR in parallel with PHEV effort*

# Communications for DSASP Aggregation

- ◆ Initially, ICCP will be the sole technology to communicate to Aggregators
- ◆ Current configuration may still require the signal to go through the TO to the Aggregator
- ◆ Aggregator manages communication with its resources

# Work with Stakeholders

- ◆ In preparation for a response to FERC, between now and October:
  - *Identify and address any reliability concerns with reliability monitoring entities (NPCC, NYSRC) have with allowing small DR to provide ancillary services*
  - *Through PRLWG, identify market rule changes specific to aggregations of DR to provide ancillary services, such as:*
    - Metering requirements
    - Measurement and verification
    - Settlement rules
  - *Identify level of effort to implement software modifications*

# Benefits to this approach

- ◆ Rules can be developed over next six months to allow full market participation by DR aggregations
  - *Project can be prioritized for 2010*
- ◆ Parallel effort with PHEV will ensure consistent implementation of all resources
- ◆ Overhead and inefficiencies of pilot project workarounds will be eliminated

The New York Independent System Operator (NYISO) is a not-for-profit corporation that began operations in 1999. The NYISO operates New York's bulk electricity grid, administers the state's wholesale electricity markets, and provides comprehensive reliability planning for the state's bulk electricity system.

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