

Summary of 9/7 Demand Response Discussions at NYC Economic Development Corp.

Prepared for:
Price Responsive Load WG
September 14, 2005

Draft – for Discussion Purposes Only

Background

- ✓ NYISO was invited to meet with NYC EDC, several RIPs/CSPs/customers active in NYC, Consumer Power Advocates, NY Energy Consumer's Council, NYSERDA and the PSC to discuss EDRP/SCR operations and protocols during the past summer
- ✓ Discussions covered three areas:
 - *Program overview / market issues / recent and contemplated program changes*
 - *Communication of advisories and activations*
 - *Operational procedures to determine advisories and activations; possibility of issuing stand-down notices*

Draft – for Discussion Purposes Only

Market Issues

- ✓ Need to better understand the impact of retail rate elements (demand/supply charges, use of load profile data) on customer economics and participation as SCRs
 - *Not a one-to-one correspondence between wholesale market elements and retail market charges*
- ✓ Proposed a one-day meeting with interested parties to work through examples so that we're all on the same page – will be scheduled in Q4

Draft – for Discussion Purposes Only

Communication of Advisories and Activations

- ✓ Some resources need to initiate load reduction steps following advisory but prior to activation notice
 - *Can this performance count towards meeting unforced capacity value?*
 - *Can these resources be reimbursed for their costs in these situations?*
- ✓ Advisory/activation messages should clarify if response is voluntary if notification time requirements are not met

Draft – for Discussion Purposes Only

Communication of Advisories and Activations (cont'd)

- ✓ NYISO to consider issuing stand-down notices in-day if conditions warrant
 - *Current practice is to issue a day-ahead advisory typically from 1-6 pm*
 - *Effectively, after 3 pm, any activation is voluntary due to the 2-hr notification rule and one-hour resolution*

Draft – for Discussion Purposes Only

Operational Procedures

- ✓ For those customers taking load reduction action in advance of an activation, is there a way to report estimated load reduction so that it can be factored into in-day operations?
 - *NYISO will discuss with notification system provider*
- ✓ Consider the benefits of real-time metered feedback to NYISO
 - *Internet-based transmission of aggregated meter information is one implementation approach*
 - *Benefits and requirements need to be better understood*

Draft – for Discussion Purposes Only

Operational Procedures (cont'd)

- ✓ Provide “directional information” to RIPs/CSPs on changes in key forecasts (load, temperature, humidity, etc) between day-ahead advisory and in-day operation.
 - *RIPs/CSPs would take responsibility for any decisions/actions taken as a result of these discussions*