12/6/2010

Subject: **Demand Response Event Energy Payments When Performance is Concurrent with a Day-Ahead Demand Response Program Schedule**

The NYISO will adjust Energy Payments for verified load reductions of Special Case Resources (SCR) and Emergency Demand Response Program (EDRP) Resources when such resources are in a Day-Ahead Demand Response Program (DADRP) schedule. The NYISO will determine whether the SCR and EDRP resource is part of a DADRP schedule based upon the offer submitted by the Demand Reduction Provider (DRP) and where applicable, the resources that comprise (are enrolled in, or are registered under) the DRP's aggregation in the DADRP.

Details:

If an SCR or a Demand Side Resource in EDRP provides required evidence of a verified load reduction in response to an event or test and is concurrently scheduled in the Day-Ahead Market as a DADRP resource, or as part of a DADRP aggregation, the SCR or Demand Side Resource in EDRP will be paid for response to such program only if and to the extent that the resource performed above its commitment to the DADRP schedule. The resource shall be paid for its contribution to the performance required by the scheduled load reduction in the DAM in accordance with the DADRP program. Any verified load reduction in excess of its contribution in the DADRP shall be eligible for payment in the SCR or EDRP programs.

In order to determine the contribution of a specific resource in a DADRP aggregation, the NYISO will first calculate a value for each resource's contribution to the aggregation, expressed as the ratio of each resource's load reduction potential (kWh) to the total modeled value of the load reduction potential attributed to the DADRP aggregation (kWh) ("Contribution Fraction"). For a single EDRP or SCR resource enrolled as a single DADRP resource, the Contribution Fraction is 100%. Second, the NYISO will multiply each resource's Contribution Fraction by the DADRP schedule for each hour of concurrence to determine the resource's contribution to the DADRP schedule. Third, the NYISO will deduct from the verified load reduction performance data reported by that resource its DADRP contribution, using the Contribution Fraction, and calculated by the NYISO for the same hour to determine the performance of that resource that is eligible for payment in the SCR and EDRP programs (see example below). The Bid Production Cost Guarantee for resources in the SCR program will be based on the net verified load reduction after adjustment for any DADRP schedule.

The NYISO must receive the following additional registration information for any existing and all new DADRP Demand Side Resources that participate as an individual resource or as part of an aggregation. The additional registration information must be set forth on the revised DADRP registration form posted on the NYISO's website at:
http://www.nyiso.com/public/markets_operations/market_data/demand_response/index.jsp

The completed DADRP registration form must be sent via email to customer_registration@nyiso.com. The signed original documents must be mailed to: NYISO, Customer Relations Department, Attention: Customer Registration, 10 Krey Blvd., Rensselaer, NY 12144.

This procedural requirement takes effect on December 15, 2010. The completed forms required by the Customer Registration Packet, including all such registration information for existing DADRP Demand Side Resources, shall be provided to the NYISO's Customer Relations Department in accordance with the Customer Registration process no later than 5:00 PM January 15, 2011.

Additional Required Registration Information for each Demand Side Resource:

1. **Transmission Owner of the Demand Side Resource**

2. **Transmission Owner Account Number of the Demand Side Resource:**

   a. Resources in the service territory of any Transmission Owner except Rochester Gas & Electric Company (RGE) and New York State Electric & Gas Company (NYSEG), state the Transmission Owner Account Number
   b. Resources in RGE's or NYSEG's service territory, state the Point of Distribution ID (POD ID); do not use the TO Account Number.

3. **Interruptible Load Rating of each resource in the aggregation provided in kW rounded down to the nearest 0.1 kW of the Demand Side Resource. The sum of all resources in the aggregation shall be rounded down to the nearest 0.1 MW.**

4. **DRIS Resource ID of the Demand Side Resource as assigned for EDRP or SCR in the DRIS (if one has been assigned).**

5. **Load-Serving Entity of each Demand Side Resource.**

6. **Meter Data Service Provider of each Demand Side Resource.**

7. **Letter from the Load-Serving Entity attesting to distribution service of the load for each Demand Side Resource in the DADRP aggregation.**

8. **Letter from the Meter Data Service Provider (MDSP) attesting to MDSP functions for each Demand Side Resource in the DADRP aggregation.**

Example:

5 resources aggregated as a single DADRP resource, 3 of which are enrolled as SCR resources

		Enrolled SCR MW	Enrolled DADRP MW	DADRP contribution value (%)
DRIS Resource ID - resource 1:	7711199	0.7	0.5	11%
DRIS Resource ID - resource 2:	7711177	1.5	1	22%
DRIS Resource ID - resource 3:	7711133	2.4	2	43%
DRIS Resource ID - resource 4:	7711111		0.8	17%
DRIS Resource ID - resource 5:	7711144		0.3	7%
Enrolled MW		4.6	4.6	100%

DADRP Generator ID:	6999222	4.6

Event Response MW reported	
Energy Performance: 7711199	0.70
Energy Performance: 7711177	1.20
Energy Performance: 7711133	2.20
Total Reported Energy Response	***4.10***

DADRP schedule for hour of Reliability Event	**3.50**	*(Response * DADRP contribution value)*
DADRP schedule share: resource 1	0.38	*(3.5 * 11%)*
DADRP schedule share: resource 2	0.76	*(3.5 * 22%)*
DADRP schedule share: resource 3	1.52	*(3.5 * 43%)*
Total DADRP energy schedule MW for reliablity resources:	***2.66***	

Adjusted Event Response MW		*(Reported Event Response - DADRP schedule overlap)*
Energy Performance: 7711199	0.32	*(0.70 - 0.38)*
Energy Performance: 7711177	0.44	*(1.20 - 0.76)*
Energy Performance: 7711133	0.68	*(2.20 - 1.52)*
Adjusted Energy Response	***1.44***	