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VIA ELECTRONIC MAIL

Mr. Harris Eisenhardt
Market Design Specialist, New Resource Integration
New York Independent System Operator
10 Krey Blvd.
Rensselaer, NY 12144

RE: NYISO March 25, 2022 ICAP/MIWG/PRLWG Meeting and DER Group 1 Topics

Dear Mr. Eisenhardt,

Please find below the feedback of Advanced Energy Management Alliance (“AEMA”)¹ on the draft edits to the Transmission & Dispatch Operations Manual, Emergency Operations Manual, Day-Ahead Scheduling Manual, and Aggregation Manual and accompanying “DER Group 1 Topics (Operational Coordination)” presentation posted with the meeting materials from the ICAP/MIWG/PRLWG Meeting held on March 25, 2022 (“March 25th meeting”)². These comments may be posted publicly.

AEMA’s feedback below is broken in to five different segments addressing the pertinent meeting materials posted for the March 25th meeting. We recognize that these changes are a work in progress, and in some cases, references are made to other sets of manual changes or user guides that have not yet been presented to stakeholders. As such, these comments may need to be revised further upon review of the referenced materials not yet available and other potential unknown interactions with materials under development.

¹ [AEMA](http://www.aema.org) is an alliance of providers and supporters of distributed energy resources united to overcome barriers to nationwide use of distributed energy resources, including demand response and advanced energy management, for an environmentally preferable and more reliable grid. We advocate for policies that empower and compensate customers to manage their energy usage to make the electric grid more efficient, more reliable, more environmentally friendly, and less expensive. These comments represent the collective consensus of AEMA as an organization, although it does not necessarily represent the individual positions of the full diversity of AEMA member companies

² Available at: <https://www.nyiso.com/icapwg?meetingDate=2022-03-25>.

1. DER Participation Model – Group 1 Concepts & Draft Manual Language

- **Slide 7** – We appreciate that the NYISO will create a dedicated location on its website to track progress towards completion of specific manuals that require development or updates along with the most current redlined versions of each draft document. This will be helpful to monitor progress and allow stakeholders to be aware of the up-to-date materials under consideration.
- **Slide 12** – In sub-bullet #2, it states, “All operating data, including telemetry and revenue grade metering data, that is received by the Distribution Utility from the Aggregator for any Aggregation must be provided to the applicable Transmission Owner in order to communicate such information to the NYISO (e.g. Real-Time dispatch telemetry).” While there is yet to have been substantive stakeholder discussion on the TO telemetry communications requirements for Aggregators and Aggregations, there has been no discussion or indication to our knowledge that there would be a requirement for Aggregators to provide telemetry or revenue-grade meter data to the DU. This issue is highlighted further in our feedback to some of the draft manual language below within the Aggregation Manual, but should updates be necessary to the draft manual language, this bullet point should be clarified or revised accordingly.
- **Slide 17** –
 - Can the NYISO please clarify the fourth sub-bullet, which states “Aggregations shall be required to respond to reserve pickup signals”? Is this applicable to Aggregations that do not contain one or more DERs qualified to provide reserves (or do not have a schedule for a reserve product at the time of the reserve pickup signal)?
 - The 6th sub-bullet states that, “Aggregations containing DER subject to emissions compliance are relieved of restrictions in the event of a Major Emergency.” Can the NYISO please confirm whether the action by the NYISO in calling a Major Emergency only relieves DERs with emissions compliance restrictions from being dispatched by the NYISO, or whether this information is provided to all applicable emissions regulators (at the federal, state, or local level) and specifics regarding those DERs relieved of those restrictions? In section 4.4. Shortage of Meeting Load (Including the Inability to Reach a “0” ACE) – Real Time of the Emergency Operations Manual, it states under step 9 under “Declare Major Emergency that the NYISO will, “Direct all TOs, via Emergency Hot Line, to notify appropriate Market Participants that the NYSDEC air emissions waiver is in effect and to go to Resource maximum capability even if it may result in temporary exceedance of NOx RACT air emission limits on opacity requirement.” This seems to indicate that only the NYSDEC’s requirements are waived. Has the NYISO looked at whether further updates to this section may be necessary pertaining to any federal (EPA) or local (ex. NYC DEP) should be referenced in this section as well?

- **Slide 33** – Can the NYISO please clarify (either in response to these comments or in its future presentation of the draft GOCP Manual and User Guide) the approval process of NYISO-initiated SRA requests? What role will the TO or DU play in reviewing and approving such requests so that Aggregations under SRA request consideration do not exacerbate reliability or safety issues on the distribution system?
- **Slide 37** – We recognize that the NYISO does not plan to incorporate any requirements associated with FERC Order 2222 in its initial implementation of the approved DER model Tariff. However, should FERC issue an Order to the NYISO where some changes directed can be realistically adopted upon implementation, the NYISO should make all reasonable efforts to do so to prevent the need for significant changes to be adopted by Market Participants after participation in the DER model has begun.
- **Slide 38** – As noted during the March 25th meeting, as well as in prior meetings, there is need for prospective Aggregators to be aware of, be prepared for, and have the opportunity to provide feedback on the requirements that may be applicable under Step 2 (Utility MP registration process). We request that the NYISO facilitate discussion of these requirements, and for the Joint Utilities (or each individual DU, if there are variations on requirements between utilities) to present on the Utility MP registration process.

2. Aggregation Manual

Section 2.1.1 Planned Distribution System Maintenance

- Flow Chart on p.2 – In the flow chart diagrams (throughout the draft manual, not limited to just this section), the image shows “DU as MSE”, where “MSE” stands for Meter Service Entity as it is defined in the MST. We believe it is unlikely that the DU will be the MSE in the majority of Aggregation cases, as the Aggregator will have responsibility for submitting meter data for both settlement and telemetry (in aggregate) to the NYISO (either directly to the NYISO and to the TO, or to/through the TO to the NYISO) for each Aggregation. The NYISO should consider revising this diagram to reflect either “Aggregator or DU as MSE” or provide separate charts outlining other potential variances to the communication pathways. It would also be helpful for the NYISO to provide additional guidance planned timing for developing systematic or automated communication pathways for those communications indicated with the dotted line arrows that are characterized as “Medium/long term”.
- The final two sentences of this section indicate that the Distribution Utility (“DU”) must provide notice of all planned outages impacting an Aggregation or individual DER within an Aggregation, by 3pm two days prior to the dispatch day, and that the Aggregator shall adjust the Aggregation’s operating plans to reflect the capability of the Aggregation. We are not aware of any requirement to provide the operating plans for an Aggregation until *after* the DA Market bids have been submitted. However, the language as drafted implies that the

Aggregator should have already submitted its operating plan for an Aggregation prior to that in order to make adjustments to said operating plan based upon the DU's notification. For the sake of clarity, we suggest revising the last sentence to state, "If a planned distribution outage causes a full or partial derate to one or more individual DER that ~~were~~ will be included within an Aggregation's operating plans, **the Aggregator shall reflect impacts of any such derates in the DA Market bids** and shall adjust the Aggregation's operating plans to reflect the capability of the Aggregation.

Section 2.1.3.2. Real-Time Market Bids

- The last paragraph in the "Monthly Net Benefit Threshold" portion of this section states, "A DER Aggregation is not permitted to balance Energy withdrawals by Withdrawal Eligible Generators with Demand Reductions in a Real-Time Market interval if the Transmission Node LBMP for that interval is less than the Monthly Net Benefits Threshold value." We do not believe Aggregators should be prevented from balancing Aggregations containing the resource types indicated in this language. Seeing as the opportunity to adjust bids for given hour in the Real-Time Market closes 75-minutes ahead of the operating hour and the RT LBMP value will not be known until after the opportunity to adjust bids has closed, Aggregators should be able to balance each Aggregation to meet its dispatch instructions. Should the telemetry from the Aggregation show that Demand Reductions were used in lieu of a Withdrawal Eligible Generators, the NYISO could just treat the response delivered for settlement purposes in line with the Monthly Net Benefit Threshold methodology.

Section 2.1.6. Unplanned Distribution System Conditions

- The flow chart diagram in this section indicates that all pathways for communicating unplanned distribution system conditions that may impact a Aggregation's ability to deliver upon its NYISO schedule are all slated for the medium/long term. The parenthetical in the first sentence refers to DUs utilizing existing communication practices and that Aggregators should contact the applicable DU for more information on practices, expectations, and capabilities for communications. CPower respectfully requests that each DU present on its current communications practices within the NYISO stakeholder forum. If substantive changes are to be made to these practices that will impact the processes to be followed by all Aggregators representing Aggregations within the DU's territory, these too should be presented to stakeholders in a timely manner in advance of those changes being implemented and allow for a reasonable amount of time for all Market Participants to prepare to conform to the new communication procedures. The current processes and future updates should be reflected in separate charts (where there is need to differentiate between DUs processes) in the Aggregation Manual.

Section 2.1.7. Unplanned Transmission System Conditions

- Similar to our comments on Section 2.1.6., the communications processes for TO communication of unplanned transmission system conditions, and any future

updates thereto, should be presented to NYISO stakeholders and reflected in the Aggregation Manual.

Section 2.2.1. Communication Between Distribution Utility and Aggregator

- The fourth bullet point notes that, “All metering and telemetry must be provided to the [DU]...” We presume this to mean the Aggregation-level telemetry as is defined within the MST (with sub-streams of telemetry data based upon the withdrawal/injection and demand reduction portions of an Aggregation). Additionally, we are not aware of any requirement to provide revenue-grade meter data to the TO/DU, where an Aggregator working with an MSE (as the same or different entity) does not require the MSE, or Aggregator, to share such data with the TO/DU. Further, Section 2.3.6 further reinforces our understanding that the Meter Authority for the Aggregation will send hourly revenue-grade meter data to the NYISO by the following operating day. Should our presumption be incorrect, we request the NYISO clarify this statement further, but also take issue with additional requirements beyond those defined within the MST that a TO/DU may require for telemetry to be provided at a more granular level for individual DER comprising an Aggregation.
- The last bullet indicates that Aggregators may operate other DER within an Aggregation to meet its NYISO schedule provided that the DU has authorized the revised operating plan. While this flexibility is appreciated, without knowing the DU’s capabilities to review and approve updated operating plans, particularly after the RT market has closed for the operating hour, this may be an unusable option until systems/processes are in place to enable such review and approval.

Section 2.2.2. Communication Between Distribution Utility and Transmission Owner

- Similar to our comments in the first bullet under Section 2.2.1, we are unaware of any requirement for Aggregators to provide the revenue-grade hourly meter data to the TO or DU. Should our understanding be incorrect, please advise and provide reference to the applicable sections of NYISO’s tariff or manuals where this is required is detailed.

3. Day Ahead Scheduling Manual

Section 2.3.2. Supporting Functions

- The language added on p.10 for the Grid Operations Coordination Portal seems to be missing language at the beginning of the explanation. We suggest adding, “The Grid Operations Coordination Portal is used by....”

4. Transmission and Dispatch Operations Manual

Section 2.1.2. NYISO Objective

- In the last paragraph, the redlined additions states that, “[t]he ISO and Transmission Owners shall coordinate scheduling and dispatch for all Resources engaged in Dual Participation giving priority to: 1) minimizing the magnitude of reliability impacts, 2) resolving actual impacts over predicted impacts.” How do the NYISO and TO’s assess the reliability of impacts, and is there any metric or

methodology that will be used to compare the magnitude of reliability impacts that may cause an Aggregation's schedule or dispatch instructions to be altered by either the NYISO or the TO? Are there any other pertinent references that should be provided in this section?

- Additionally in the same paragraph, the redlined additions state that the Aggregator shall report any derates in the GOCP and modify its Bids as necessary to comply with any DSO/TSO instructions, while the NYISO will issue final dispatch instructions to the Resources.

Section 2.5.4. Energy Market Functions

- Sub-numbered section 18 should be updated in line with our suggested edit under the Day Ahead Scheduling Manual Section 2.1.2 and noted above for the GOCP section.

Section 3.3. Periodic Monitoring of Fuel and Resource Availability

- Does the requirement to submit Fuel and Environmental Restriction Data apply to Local Generators, as well as any DERs participating as part of an Aggregation that utilize fuel-supplied generation on-site as part of the response?

Section 6.7.17. Supplemental Resource Availability (SRA)

- This new proposed section states that SRAs can be submitted by both TOs/DSOs and the NYISO to request an "Aggregation has a specified amount of available operating capacity at a specified period," for local or NYISO reliability requirements. Upon what data or other information provided by the Aggregator are the SRA requests to be made through the GOCP?

5. Emergency Operations Manual

Section 1.2.2. Operating Objectives

- The same questions above from Section 2.1.2 of the Transmission and Dispatch Operations Manual apply to the redline edits added in the last paragraph of this section.

AEMA appreciates the opportunity to provide feedback to the NYISO. Should you have any questions on these comments, please don't hesitate to reach out to Peter Dotson-Westphalen, Sr. Director, Market Development, Enerwise Global Technologies, Inc. d/b/a CPower and Chair of AEMA's New York and New England Committee at Peter.D.Westphalen@CPowerEnergyManagement.com.

Sincerely,



Katherine Hamilton
Executive Director