

# Introduction to Demand Response

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#### **Demand Response In-Depth**

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# **Session Objectives**

- Define Demand Response
- Distinguish between reliability-based and economic-based programs
- Differentiate the basic requirements of each of the programs
- **Define Behind-the-Meter Net Generation Resources**
- Identify NYISO systems for accessing, entering, updating, and reviewing Demand Response and other related information



# Demand Response Defined



## **Demand Response**

- Demand Response (DR) is the act of reducing energy consumption from the grid at the direction of the NYISO
- Demand Response is provided by Demand Side Resources, which are:
  - Electricity consumers located in NYS that enroll to take part in a specific DR program
  - Capable of reducing the power consumed from the grid for discrete periods of time as directed by the NYISO
  - Examples:
    - Industrial companies
    - Commercial buildings
    - Big box stores
    - Small retail stores
    - Hospitals
    - Colleges/Universities



## **Demand Response**

Demand Side Resource Response Types

**Resources can reduce consumption from the grid by:** 

Response Type C	• Decreasing power consumption in the facility (Interruptible loads)
Response Type G	• Using a qualified behind-the-meter Local Generator to supply part of the resource's load
Response Type B	• Using both load curtailment and a Local Generator



# **Demand Response**

- Advantages of Demand Response Programs
  - Contribute to maintaining system reliability by:
    - Effectively increasing the supply available to manage peak demand periods
    - Allow qualified load to provide ancillary services to the wholesale electricity market
  - Maintain price stability in the market by:
    - Allowing qualified load to respond to wholesale market prices, which can moderate high prices in the NYISO Day-Ahead Market

#### **Demand Response & System Reliability**



*Equivalent to the output of two medium-sized generating plants or the electricity needs of 300,000 - 400,000 households* 

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Market Training



# Demand Response Primary Program Categories

**Reliability-Based vs. Economic-Based** 

# Categories of Demand Response Programs



<u>Reliability-Based Programs</u> – NYISO determines activation

- Purpose: Reduce load in response to NYISO instructions for a discrete period of time to supplement generation when Operating Reserves are forecast to be short or when there is an actual Operating Reserve Deficiency or other system emergency
  - Emergency Demand Response Program (EDRP)
  - ICAP-Special Case Resources (SCR)
  - Targeted Demand Response Program (TDRP)

# Categories of Demand Response Programs



<u>Economic-Based Programs</u> – Resource determines when to participate (through supply offers)

- Purpose: Load reduction, competing with generation, is scheduled by NYISO based upon economic offers
  - Day-Ahead Demand Response Program (DADRP)
  - Demand-Side Ancillary Service Program (DSASP)

#### **Summary of Demand Response Programs**



Program Name	Program Type	Performance Requirement	Size Requirement	Enrolled By	Metering	Payment Type
EDRP	Reliability- based	Voluntary	• Minimum 100 kW Reduction	Curtailment Service Provider	Hourly Interval Meter	Performance Payment
SCR	Reliability- based	Mandatory if notification timeline is met	<ul> <li>Minimum 100 kW Reduction</li> <li>Grouping by zone allowed</li> </ul>	Responsible Interface Party	Hourly Interval Meter	Performance Payment <u>and</u> Monthly ICAP Payment
DADRP	Economic- based	Mandatory when scheduled	<ul> <li>Minimum 1 MW Reduction</li> <li>Grouping by zone and LSE allowed</li> </ul>	DADRP Provider	Hourly Interval Meter	Performance Payment
DSASP	Economic- based	Mandatory when scheduled	<ul> <li>Minimum 1 MW Reduction</li> <li>Grouping by zone allowed</li> </ul>	DSASP Provider	Six Second Real-Time Metering	Reserve Capacity Payment <u>and/or</u> Regulation Capacity and Movement Payments

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# **How Program Participants Enroll**

Retail Consumer Participates in NYISO wholesale markets through

#### Registered NYISO Market Participant

#### Retail Consumers may be:

- Industrial companies
- Big box stores
- Commercial buildings
- Hospitals
- Colleges/Universities

#### Market Participants include:

- Transmission Owner local distribution utility
- Load-Serving Entity competitive energy supplier
- Aggregator company that transacts with NYISO on behalf of retail consumers
- Direct Customer handles own supply requirements in NYISO market

# **Mutually Exclusive Participation**



- Demand Side Resources may participate in one reliability-based program and one economic-based program simultaneously
- If a reliability event is called and a resource is participating in both a reliabilitybased program and an economic based program:
  - The resource's real time dispatch schedule in the economic based program will be terminated for the duration of the event
  - Only the resource performance <u>above</u> its Day-Ahead Market schedule for the economic based program will be considered for the reliability based program settlements





# Behind-the-Meter Net Generation Resources Defined



#### **Behind-the-Meter Net Generation Resources**

#### BTM:NG Resources are -

- Facilities with on-site generation routinely serving host load
- Having net generation after serving host load to offer in to NYISO markets
- Examples:
  - Factories
  - Co-Ops
  - Colleges/Universities



### NYISO Systems ICAP AMS MIS DRIS

# **Accessing NYISO Systems**

### Initial Requirements

- Organization Specific System
   Administrator
- Valid NAESB Digital Certificate
- User Account
  - Assigned user ID and password







# **ICAP Automated Market System**

#### ICAP AMS

- NYISO's automated system for supporting Installed Capacity (ICAP) market
- Information may be viewed for SCRs and BTM:NG Resources:
  - Upload/download ICAP market related information
    - Bids and Offers
  - Auction details
  - Settlement related information to support customer invoicing
  - Event Calendar



### **ICAP Automated Market System**

### Accessing ICAP AMS from NYISO Home Page



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# **Market Information System**

### MIS

- Web-based interface between NYISO and Market Participants
- Used to manage administration of organization and resource details, and the following additional Energy and Ancillary Services market data:
  - Offer/bid submittals
  - Offer/bid updates
  - Accepted schedules



## **Market Information System**

#### Accessing MIS from NYISO Home Page







#### DRIS

- NYISO's automated system for enrollment and management of Demand Response resources
- Accessible by Market Participants to enroll and manage the following data for their Demand Side Resources:
  - Enrollment information
  - Aggregations
  - Performance
  - Event/Test notification & responses
  - Event/Test response reporting
  - Settlement information
  - Event Calendar



### Accessing DRIS from NYISO Home Page



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#### Accessing DRIS from DER Home Page



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### DRIS Login Page

Building The Energy Markets Of TomorrowToday	Demand Response Information System
Login Required         You are attempting to access a protected resource.         User ID:         Password:         Login	



#### DRIS Dashboard

Main Wine Kesource SCR Perioritance Factors D	R Event V Mingation V Tables V Notification V DOASP V BTMV	
SCR	EDRP	DSASP
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# **Demand Response In-Depth**

# Course Agenda

