

Robert E. Fernandez
Interim President & CEO

October 25, 2018

VIA E-MAIL

Dr. William Acker
Executive Director NY-BEST
230 Washington Avenue Extension
Suite 101
Albany, NY 12203

Dear Dr. Acker:

Thank you for your letter dated October 15, 2018, regarding the DER project and the associated GE study entitled “Valuing Capacity for Resources with Energy Limitations” (“GE Study”). We understand your concerns about the timing of the distribution of the GE Study and the anticipated vote on the DER project, including changes to the capacity market.

The NYISO agrees that it is important that stakeholders have adequate time to review both the GE Study and the NYISO’s proposed market design prior to these issues going to the Business Issues Committee for a vote. The NYISO also recognizes that stakeholders should have the opportunity to voice concerns with the analysis performed and request additional analysis, if necessary. As with other initiatives, the NYISO believes the dialogue with stakeholders is an important mechanism to obtain valuable input that ultimately can lead to improvements to the initially proposed market design.

Accordingly, the NYISO will extend the schedule for the anticipated vote beyond December 2018. NYISO staff will continue to refine market design proposals for integrating DERs and continue stakeholder discussions to address questions and concerns about the GE Study and related capacity market proposals. So that the implementation date for the DER framework is not delayed, the NYISO will work towards a stakeholder vote on a comprehensive proposal in February 2019.

I understand you have requested that the capacity market revisions be separated from the other aspects of the DER market design changes. The NYISO, however, views the capacity market changes to be integral to the overall market design for DER and hopes that, by providing sufficient time for stakeholder input and review, these issues can remain part of an overall package of tariff revisions.

As always, please contact me with any questions or concerns.

Sincerely,



cc: Amanda De Vito Trinsey, Esq.
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Counsel for Multiple Intervenors

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