

# Meter Service Entity Design Updates

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Michael Ferrari

Associate Market Design Specialist

Market Issues Working Group (MIWG)

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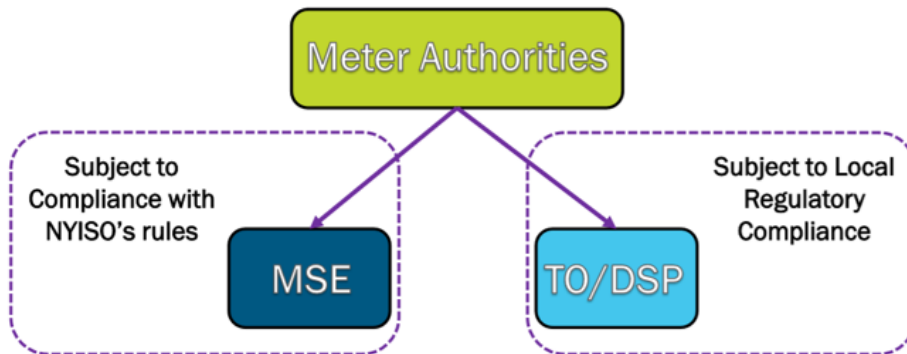


# Background

Date	Working Group	Discussion points and links to materials
02-02-17	Posted	Distributed Energy Resources Roadmap for New York's Wholesale Electricity Market
05-23-17	Market Issues Working Group (MIWG)	DER Measurement, Verification, Monitoring & Control, and Meter Data Study
09-29-17	Market Issues Working Group (MIWG)	DER Meter Data Study
10-30-17	Market Issues Working Group (MIWG)	DER Meter Data Study Initial Findings – <a href="#">E-Cubed Policy Associates, LLC (Dr. Paul Sotkiewicz)</a>
12-13-17	Market Issues Working Group (MIWG)	NYISO Meter Data Study Report – <a href="#">E-Cubed Policy Associates, LLC (Dr. Paul Sotkiewicz)</a>
09-11-18	Market Issues Working Group (MIWG)	DER Meter Service Constructs for NYISO Market Participation
10-23-18	Market Issues Working Group (MIWG)	Conceptual Details of MSEs Participation in NYISO Markets

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# Review



- **NYISO is developing a new Meter Service Entity (MSE) construct that will authorize entities to provide meter services to DER Aggregations in the Dispatchable DER and reliability-based (SCR and EDRP) demand response programs**
  - New rules will replace the existing MSP/MDSP constructs used for the NYISO's demand response programs
  - DER Aggregators will engage authorized MSEs to provide services for its Aggregations, and will be responsible for any financial compensation paid to the MSE for the services it provides
- **MSE rules will be included with the tariff revisions to integrate the DER participation model**
- **The new MSE rules will not impact existing metering constructs used by Member Systems**
  - Member Systems are those eight utilities that comprised the membership of the New York Power Pool

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# Rate Schedule

# MSE Rate Schedule

- NYISO has drafted new Rate Schedule 9 to recover NYISO costs for the oversight of MSEs
- NYISO estimates that the MSE program, at initial implementation, will consist of roughly 30 organizations consisting of 1500 resource meters

# MSE Rate Schedule Structure

- **Market Participants (Aggregators) that use an MSE will be responsible for the NYISO costs of administering the MSE program**
- **The ISO shall calculate the charge as:**
  - A fixed annual fee per MSE per Aggregator; and
  - An annual fee per DER facility meter
    - NYISO's proposal is that this fee is the same regardless of the size of the DER facility
- **Entities seeking authorization to be a MSE shall also pay a non-refundable Application fee to the ISO**

# MSE Rate Schedule Cycle

- **The NYISO costs of MSE program administration will be determined prior to the start of a calendar year, based on the estimated degree of MSE organization participation and DER participation**
  - The costs will include the estimated level of staffing needed by the NYISO to administer the MSE program
  - The costs will be assessed under the Rate Schedule as the cost per meter, per aggregator per MSE, and per MSE application
- **At the end of each year, the revenue collected under the MSE Rate Schedule will be compared with the costs incurred, and will be considered in determining the estimate for future year costs**

# Sanctions and Penalties

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- The ISO may impose financial penalties or other sanctions on the MSE, Aggregator, or both for actions that fail to comply with NYISO meter data accuracy and submission requirements
- MSEs may be suspended from providing metering services to aggregators for repeated submissions of problem data
- If the ISO has reason to believe that falsified meter data is submitted to the NYISO, the Aggregator may be required to utilize a new Meter Authority for its metering service and the MSE may be permanently disqualified from providing metering services in NYISO-administered markets
  - Where evidence is found for the submission of falsified data is from an Aggregator that serves as its own MSE, the Aggregator may receive both financial sanctions and potential disqualification from providing metering services. The ISO may also refer the problem organization to the MMU and FERC

# Existing Penalties Relevant to MSEs

- Sections 5 and 23 of the NYISO Market Services Tariff describe the conduct and subsequent penalties that the NYISO can issue to Market Participants today and may potentially apply to an Aggregator for the actions of a Meter Service Entity in the future
  - For example, sections 5.12.12 and 5.14.2 describe the response to the submission of late or misleading data
    - MST 5.12.12 Sanctions for Failing to Provide Required Information
      - Failing to provide data in a timely manner or exceeding tolerances may lead to daily fines on an Aggregator until the problem is resolved
    - MST 5.14.2 Installed Capacity Supplier Shortfalls and Deficiency Charges
      - Submitting data that hides a shortfall in Installed Capacity may lead to a deficiency charge assessed to the Aggregator



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# Standards of Conduct

# Standards of Conduct for Meter Service Entities

- **Meter Service Entities** are expected to engage all affiliated and non-affiliated customers without preference or prejudice with respect to providing metering services
- **Metering Service Entities** are prohibited from disclosing non-public information and the use of anyone as a conduit to release non-public information

# Feedback?

- Email additional feedback to:  
[DER\\_Feedback@nyiso.com](mailto:DER_Feedback@nyiso.com)

# The Mission of the New York Independent System Operator, in collaboration with its stakeholders, is to serve the public interest and provide benefits to consumers by:

- Maintaining and enhancing regional reliability
- Operating open, fair and competitive wholesale electricity markets
- Planning the power system for the future
- Providing factual information to policy makers, stakeholders and investors in the power system



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