

# Engaging the Demand Side: SCR Program Enhancements

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# Background

# 2024 Market Design Concept Proposed

- **The NYISO received feedback during Sector Meeting discussions; several Responsible Interface Parties (RIPs) requested that the NYISO modify the Special Case Resource market design.**
  - Specifically, those RIPs recommend that NYISO change the 4-hour duration requirement to a 6-hour duration requirement

# 2024 Market Design Concept Proposed

- The NYISO recently developed and distributed a survey to solicit Market Participant feedback on various tracks for consideration for the Engaging the Demand Side project.
- The survey included questions regarding:
  - The requested SCR duration obligation modification
  - Additional program modifications that the NYISO believes will improve operational utility of SCRs (e.g., updating the Day Ahead advisory notice to a shorter period)
  - Concepts described in the 2023 Issue Discovery Report (e.g., a Day-Ahead commitment demand response model)
- The NYISO shared responses to the survey at the 6/13 ICAPWG

[https://www.nyiso.com/documents/20142/45259374/ETDS\\_SCR\\_Survey\\_Results\\_ICPWG\\_FINAL.pdf/771b3dcd-0dcc-b024-2fe4-1a61c4eb20d6](https://www.nyiso.com/documents/20142/45259374/ETDS_SCR_Survey_Results_ICPWG_FINAL.pdf/771b3dcd-0dcc-b024-2fe4-1a61c4eb20d6)

# Engaging the Demand Side Project Plan

# 2024 Engaging the Demand Side Project

- **The purpose of this presentation is to walk through the NYISO's proposed direction for Engaging the Demand Side for the remainder of 2024.**
- **Public policies continue to drive rapid change in New York's electric system, impacting how electricity is produced, transmitted, and consumed**
  - Fossil fueled Generator deactivations are outpacing new supply additions
  - Electrification and economic development initiatives are increasing projected future demand
  - The New York grid is projected to become a winter-peaking system in the 2030's
- **The grid's evolution drive a need for flexible and dispatchable Resources in the NYISO markets to support reliability and transmission security.**

# Proposed Direction for SCR Duration

- **The SCR survey and additional stakeholder feedback showed support for a 6-hour duration SCR program.**
- **The NYISO proposes to revise the SCR program duration requirement to 6-hours.**
  - This will provide the opportunity for SCRs to earn additional revenue for load reduction and enhance NYISO Grid Operators' ability to balance supply and demand.

# Proposed Direction for Activation Window

- The NYISO proposes to shorten the current 21-hour notice SCR advisory activation.
- This will provide the NYISO with more flexibility in deploying SCRs when they are most needed, allowing the NYISO to adapt the current fleet to the grid of the future.



# Proposed Direction for Baselines

- **NYISO also proposes to change the baseline from the current ACL to a CBL methodology.**
  - The Average Coincident Load calculates the baseline as the average of the highest 20 resource loads that occurred during the capability period's SCR Load Zone peak hours of the prior equivalent capability period
  - The Customer Baseline Load calculates the baseline based on the highest five consumption days of last 10 "like" days prior to a DR event
- **A CBL baseline for the SCR program will provide the NYISO and Market Participants with a more accurate look at the MW available to reduce load on the system.**

# Next Steps

# Deployment Timeline

- **The NYISO estimates these revisions to the SCR program could be deployed for the 2026-2027 Capability Year.**
  - The final market design details may necessitate a phased implementation.
  - Efforts to support the implementation of the changes to the SCR program are part of the “Engaging the Demand Side Phase 1” BPWG project description

# 2025 Market Design Plan

- **The SCR survey informed NYISO about concerns with the costs and feasibility of deploying telemetry for a DA DER program.**
  - Stakeholders have previously raised concern about the ability to transition some existing SCRs to the DER Participation Model due to the telemetry requirements for DER.
- **The NYISO proposes to discuss alternative telemetry methodologies as part of next year's Phase 2 market design effort for Engaging the Demand Side.**
  - Phase 2 of Engaging the Demand Side will seek to provide Market Participants more certainty regarding alternative telemetry methodologies.
- **NYISO does not plan to pursue Day-Ahead DER market design concepts for next year before addressing alternative telemetry design.**

# Next Steps

- **The NYISO intends to return with more detail on the proposed program requirements and a likely timeline those changes could be deployed**

# Our Mission & Vision



## Mission

Ensure power system reliability and competitive markets for New York in a clean energy future



## Vision

Working together with stakeholders to build the cleanest, most reliable electric system in the nation