

# Engaging the Demand Side: 2025 Project Update

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4/1/25

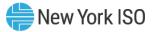
#### **2024 Engaging the Demand Side Presentations**

Date	Working Group	Topic/Link to Materials
5/8/2024	ICAPWG/MIWG	Engaging the Demand Side Project Update
6/13/2024	ICAPWG/MIWG	Engaging the Demand Side: SCR Survey Results
7/15/2024	ICAPWG/MIWG	Engaging the Demand Side: SCR Program Enhancements
8/29/2024	ICAPWG/MIWG	Engaging the Demand Side: SCR Program Changes
11/4/2024 (Latest)	ICAPWG/MIWG	Engaging the Demand Side: SCR Baseline Changes



#### Purpose of today's discussion

 NYISO will maintain the current SCR program rules to focus future demand side project enhancements on the DER and Aggregation participation model.



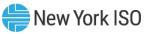
# Background



## **2024 Engaging the Demand Side Project**

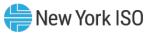
#### • NYISO proposed 4 major changes to the SCR program:

- Revise the SCR program duration requirement to 6-hours.
- Remove the current 21-hour notice SCR advisory activation in favor of a 4-hour mandatory activation notice.
- Calculate SCR performance based on the CBL baseline instead of ACL baseline (modifying related penalties as well).
- Increase the duration of the SCR performance test from one hour to six hours.



#### 2024 Engaging the Demand Side Proposal Feedback

- The NYISO evaluated the extensive stakeholder feedback on NYISO's proposed changes and determined that it was inappropriate to make that suite of program enhancements at this time.
- Several stakeholders explicitly expressed that they would vote down any design that went beyond an increase in the duration requirement from 4 to 6 hours; i.e., if the NYISO proposed to move forward with its additional program enhancements to go along with increased payments.
  - Stakeholder opposition to the proposed changes were based in concerns that robust new program requirements would reduce program participation.



## **2025 Project Description**

- The 2025 EtDS project approved deliverable was the deployment of software for a completed market design.
- Without a completed market design, the NYISO cannot complete the 2025 EtDS project goal of deploying software enabling SCR program enhancements.

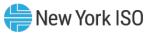


# 2025 Project Direction



## **2025 Direction**

- The NYISO will not make any changes to the SCR program rules as described in last year's EtDS effort.
  - The SCR program as currently designed is an important resource for maintaining reliability and will continue to be in the future.
- The NYISO believes that priority should be given to developing market designs that substantially enhance or increase Demand Side Resource participation.



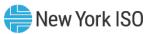
### 2025 Project Plan

- The NYISO views the DER & Aggregation participation model as the future of demand side participation in the NYISO markets.
- The DER & Aggregation participation model provides Demand Side Resources additional optionality and flexibility, while being fully integrated in all markets:
  - Participants can receive a Day-Ahead and/or Real-time Schedule.
  - Resources may select 2, 4, 6, or 8 hour duration lengths and time-stack within aggregations.
  - Qualifying dispatchable resources may provide ancillary services.
  - DER aggregations contribute to transmission security.



## **DER & Aggregation Participation Model**

- The NYISO recognizes that the DER & Aggregation participation model is still a new program and that market design enhancements will likely be identified in the future, including potential enhancements related to Demand Side Resources.
- Thus far, stakeholders have identified the following as areas of potential enhancement:
  - Bidding obligations;
  - Commitment parameters, such as start up and minimum run times for large Industrial Loads; and
  - Metering and telemetry requirements



#### **Path Forward**

- Market Participant collaboration is planned for 2025, focusing on how the NYISO markets can reduce barriers to entry and better leverage the reliability benefits of demand response.
  - Information sessions with Market Participants will review the design and rules of the DER & Aggregation participation model.
- The NYISO encourages stakeholders to provide feedback on areas of the DER and Aggregation participation model that would reduce barriers to resource entry or enhance participation.



#### **Next Steps**

- The NYISO will collaborate with stakeholders to provide learning opportunities for the DER & Aggregation participation model.
- This will build a strong foundation of knowledge from which the NYISO and Market Participants can identify areas of improvement for consideration in a future project.
  - NYISO will begin conversations to address any identified areas in the second half of 2025 and continuing into future efforts as resources become available.



# Questions?



#### **Our Mission & Vision**

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#### **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

