

Engaging the Demand Side: 2025 Project Update

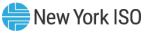
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4/1/25

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.



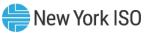
Background



2024 Engaging the Demand Side Project

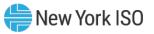
• NYISO proposed 4 major changes to the SCR program:

- 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.

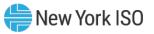


2025 Project Direction



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

