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August 8, 2019

VIA ELECTRONIC MAIL

Mr. Chris Russell
New York Independent System Operator, Inc.
10 Krey Blvd.
Rensselaer, New York 12144

RE: NYISO's Metering Service Entity Implementation Plan

Advanced Energy Management Alliance ("AEMA")¹ appreciates the NYISO's multi-year initiative to enhance participation of distributed energy resources ("DERs") in the NYISO markets and significant progress achieved to develop a robust set of rules for Metering Service Entities ("MSE") to replace the New York Public Service Commission's rules for Meter Service Providers and Meter Data Service Providers.² However, AEMA has significant concerns regarding the proposed approach and timeline

¹ [AEMA](#) is an alliance of providers and supporters of distributed energy resources united to overcome barriers to nationwide use of distributed energy resources, including demand response and advanced energy management, for an environmentally preferable and more reliable grid. We advocate for policies that empower and compensate customers to manage their energy usage to make the electric grid more efficient, more reliable, more environmentally friendly, and less expensive.

² On February 8, 2019, the NYPSC issued an Order terminating the MSP and MDSP programs. <http://documents.dps.ny.gov/public/Common/ViewDoc.aspx?DocRefId={052B777B-CEBF-4D02-89DE-3901A6FB0F20}>; On February 27, 2019, the NYISO issued Technical Bulletin 247 stating that it would allow RIPs and CSPs to use MSPs and MDSPs through October 31, 2019 to avoid disruption in the NYISO ICAP market. <https://www.nyiso.com/documents/20142/2931465/TB-247-v2019-02-27-Final.pdf/bfbf88e4-9e31-8a86-41be-3a45faf0548f> ("TB 247").

for implementation as presented to stakeholders during the Metering Task Force (“MTF”) meeting held on July 30, 2019.

I. A Gap Between MDSP/MSP Program Sunset and Finalizing MSE Procedures Would Undermine SCR and EDRP Programs

The scope of the MTF will be to develop the project implementation requirements for Meter Service Administration (“MSA”) and MSEs, including details regarding the MSE application process, required documentation of meters, audit requirements for active meters.³ Phase 1 of the project, scheduled to run from July through November 1, 2019 is intended to address the requirements necessary to allow Aggregators to provide metering services to participate in the EDRP and SCR Programs.⁴ The NYISO suggested that a new Technical Bulletin will be developed over the course of the next month and a half and go into effect by September 30, 2019.⁵

While AEMA supports the NYISO in its goal to define the Phase 1 objectives, and its members intend to actively participate in the stakeholder process, AEMA is concerned that the Phase 1 implementation timeframe is too aggressive to comply with the current end date of TB 247 of October 31, 2019. The amount of work that is necessary to define the MSE rules is a too large of an effort to be completed over the course of only three stakeholders’ conference call meetings scheduled through the end of September,⁶ by which time Aggregators would need to begin the application process⁷.

³ See https://www.nyiso.com/documents/20142/7758221/MTF%20%20Kick-off%20073019%20FINAL_.pdf/0faf54a4-0064-8aaf-d6b7-d769819ee646, p. 4

⁴ Id. at p. 3

⁵ Id. at p. 4

⁶ Id. at p. 8

AEMA does not think this will allow Aggregators that intend to become MSEs sufficient time to develop the necessary internal procedures and implement new and adjust existing processes in order to comply with the November 1 deadline.

Further, AEMA has significant concerns that the implementation date of the Metering Service Entity Manual (“MSEM”) is set for December 2019, following its presumed approval by the Business Issues Committee⁸, and after the MSE tariff will have technically become effective.⁹ Changes made to the MESM immediately following the MSE implementation date will cause undue confusion, unnecessary administrative delays, and business risks to Aggregators since it is likely that MSEM would deviate from Technical Bulletin that is expected to guide MSE application process before November 1. .

To avoid the potential for rule changes occurring mid-Capability Period and to allow thorough vetting process, AEMA recommends that NYISO delay the implementation of the MSEM until May 1, 2020 and extend TB 247 to remain in effect until April 30, 2020 to allow sufficient time for all entities to fully understand and implement the MSE/MSA rules the NYISO to implement rules and process changes.

⁷ According to the ICAP calendar published on the NYISO website, October 9, 2019 is the deadline for SCR enrollment for the auction month of November, and in order to make informed decisions regarding enrollments and take ICAP auction positions Aggregators will be forced to rush thought the application process to be in compliance with the NYISO tariff and to be developed procedures

⁸ Per the current NYISO stakeholder calendar, the BIC is scheduled to meet on December 11, 2019.

⁹ NYISO requested Nov 1, See *New York Independent System Operator, Inc., Proposed Tariff Revisions Regarding Establishment of Participation Model for Aggregations of Resources, Including Distributed Energy Resources, and Proposed Effective Dates*, Docket No. EL19-2276-000 (June 27, 2019) (“DER Filing”).

Therefore, AEMA recommends that, to the extent the NYISO does not have its manuals and procedures in place or cannot certify MSEs by November 1, 2019, the NYISO should extend the time by which Aggregators can utilize MSPs and MDSPs. There should be no gap between the termination of the MDSP/MSP programs and the issuance of an MSE certification/approval; this would allow customers that have previously participated in the program the ability to continue their participation without disruption. Therefore, AEMA urges the NYISO to extend the date by which Aggregators are allowed to use their current MSP/MDSP certifications and non-utility interval meters until such time that the NYISO's MSE rules are fully implemented and all procedures and manuals are vetted, approved and issued.

II. NYISO Should Allow Self-Certification of MSEs

AEMA recommend a self-certification attestation process (similar to what have been successfully instituted by PJM and ISO-NE). As it was explained in the AEMA's response¹⁰ to FERC Order¹¹ allowing MSEs to self-certify would significantly minimize NYISO's administrative burden to govern and enforce standards that are outside their area of proficiency. Also, AEMA firmly believes that MSE requirements must to be built on prescribed metering standards based on widely accepted industry standards as outlined in NIST, ANSI, and NAESB. Such requirements, coupled with explicit market incentives and bright-line administrative penalties such as losing an ability to participate in the NYISO market in case of data and meters quality and accuracy issues, would be enough

¹⁰ *Comments Of Advanced Energy Management Alliance On Order On Complaint, Denying Tariff Waiver, And Establishing A Paper Hearing*, Docket No. EL18-188-000 (February 4, 2019).

¹¹ *Order on Complaint, Denying Tariff Waiver, and Establishing Paper Hearing* issued on December 20, 2018, 165 FERC ¶ 61,247 (2018), ("December 2018 Order")

to enforce metering and meter data standards. AEMA recommend NYISO to develop aforementioned standards and market incentives during Phase 1.

III. NYISO Should Expedite the Development of the MSE Costs and its Allocation

The charges as proposed in DER Filing¹² appear to be very high as it would require a one-time \$1,000 application fee and impose an annual charge per audit that still lacks clarity. Detailed stakeholders' discussions are needed while developing audit charges in order to avoid potential unduly discriminatory environment when the total costs of auditing all aggregators would not be distributed evenly amongst aggregators; rather, the costs would be more heavily borne by aggregators with a bigger footprint. Therefore, AEMA encourages the NYISO to clarify what and how costs of MSE implementation and audits would be allocated among MSEs before or concurrently with the MSE rules implementation.

IV. Conclusion

AEMA thanks the NYISO for their work on this important effort and appreciates the opportunity to provide feedback. AEMA thanks the NYISO for consideration of these comments and welcomes the opportunity for further discussion. We welcome any discussion or questions, and encourage you to contact Katherine Hamilton, Executive Director of AEMA, at 202-524-8832 or Katherine@aem-alliance.org should you wish to meet with AEMA.

Respectfully Submitted,

¹² *New York Independent System Operator, Inc., Proposed Tariff Revisions Regarding Establishment of Participation Model for Aggregations of Resources, Including Distributed Energy Resources, and Proposed Effective Dates*, Docket No. EL19-2276-000 (June 27, 2019) (“DER Filing”).

A handwritten signature in black ink that reads "Katherine Hamilton". The signature is fluid and cursive, with a long horizontal stroke at the end.

Katherine Hamilton, Executive Director
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