

September 4, 2019

By Electronic Delivery

Honorable Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, D.C. 20426

Re: New York Independent System Operator, Inc. Docket No. ER19-2276-000

Dear Secretary Bose:

On June 27, 2019, the New York Independent System Operator, Inc. ("NYISO") submitted a set of revisions to its Open Access Transmission Tariff ("OATT") and Market Administration and Control Area Services Tariff ("Services Tariff") to integrate Distributed Energy Resources ("DER") and Aggregations of resources into the NYISO-administered markets (the "DER Filing"). The NYISO submitted the DER Filing under Federal Power Act ("FPA") Section 205, and requested Federal Energy Regulatory Commission ("Commission") action by August 26, 2019, which was the end of the standard sixty-day period allowed under Section 205.

Among the changes proposed in the DER Filing were revisions to the NYISO's metering requirements (*i.e.*, the Meter Services Entity requirements) applicable to the Special Case Resource and Emergency Demand Response Programs.³ The proposed metering requirements were developed to replace existing rules that no longer provide Market Participants⁴ with adequate access to third-party metering providers.⁵ The existing rules the NYISO seeks to revise in its DER Filing are also under

¹ New York Indep. Sys. Operator, Inc., Proposed Tariff Revisions Regarding Establishment of Participation Model for Aggregations of Resources, Including Distributed Energy Resources, and Proposed Effective Dates, Docket No. ER19-2276 (June 27, 2019).

² 16 U.S.C. § 824d (2012).

³ The proposed metering requirements will also be applicable to Distributed Energy Resources and Aggregations when those concepts are integrated in the NYISO's markets in 2021.

⁴ Capitalized terms that are not otherwise defined in this filing letter shall have the meaning specified in Section 1 of the OATT and Section 2 of the Services Tariff.

⁵ See Reply Brief of New York Indep. Sys. Operator, Inc., Docket No. EL18-188-000 (Mar. 6, 2019) at 8-10 (advising the Commission that the New York State Public Service Commission terminated its Meter Service Provider and Meter Data Service Provider programs, upon which the NYISO's tariffs relied, effective immediately).

Honorable Kimberly D. Bose September 4, 2019 Page 2 of 3

review in a separate FPA Section 206 proceeding.⁶ To resolve the issues raised by stakeholders as soon as practicable, the NYISO proposed that the Meter Services Entity revisions become effective on November 1, 2019, the first day of the 2019-2020 Winter Capability Period. As the NYISO explained in the DER Filing, implementing the new metering rules at the beginning of a Capability Period minimizes the potential for meter data inaccuracies associated with changing physical metering infrastructure or meter data infrastructure mid-Capability Period.⁷

On August 23, 2019, Commission staff issued a deficiency letter to the NYISO (the "Deficiency Letter") in this proceeding. The Deficiency Letter sought additional information on certain, limited, components of the DER Filing. None of the questions in the Deficiency Letter addressed or related to the metering requirements the NYISO asked the Commission to permit to become effective on November 1, 2019. However, the Deficiency Letter states that the NYISO's response will "constitute an amendment to [the DER Filing] and a new filing date will be established." Hence, the NYISO's response to the Deficiency Letter will reset the sixty-day period for Commission action and the Commission will not be *required* to issue an order in a timeframe that would provide the NYISO and its stakeholders sufficient time to implement the proposed metering improvements for the upcoming November 1, 2019 to April 30, 2020 Capability Period.

The NYISO desires an orderly transition to implement its proposed metering requirements. The enrollment period for Demand Side Resources (including Special Case Resources and Emergency Demand Response Program participants) participating in the Capability Period beginning November 1, 2019 opens on September 23, 2019. The NYISO and its stakeholders must know before September 23, 2019 that the new metering rules will become effective at the start of the Capability Period. NYISO staff has been working with stakeholders to develop the business processes and procedures necessary to implement the proposed tariff revisions. The NYISO's stakeholders also require time to develop their own processes and procedures to comply with the new metering rules. The NYISO wants to provide as much time as possible for its stakeholders to make the necessary changes.

⁶ NRG Curtailment Solutions, Inc. v. New York Indep. Sys. Operator, Inc., Order on Complaint, Denying Tariff Waiver, and Establishing a Paper Hearing, 165 FERC ¶ 61,247 (2018).

⁷ The majority of the meter data reporting requirements for Demand Side Resources participating in the Special Case Resource and Emergency Demand Response Programs apply on a Capability Period basis. Transitioning to new metering rules in the middle of a Capability Period would increase the risk of data errors and potentially expose Market Participants to financial penalties.

⁸ New York Indep. Sys. Operator, Inc., Docket No. ER19-2276-000, at 5 (Aug. 23, 2019) (unpublished letter order).

Honorable Kimberly D. Bose September 4, 2019 Page 3 of 3

In light of the start of the beginning of the upcoming enrollment period for the Special Case Resource and Emergency Demand Response Programs, the NYISO will not be able to implement the improved metering rules it proposed in the DER Filing unless the Commission accepts the metering requirement proposals identified in Attachments III and IV in the DER Filing on or before September 11, 2019. Because of the concerns associated with implementing the proposed Meter Services Entity tariff revisions mid-Capability Period, the NYISO will submit an amendment to its DER Filing changing the proposed effective date of the tariff revisions from November 1, 2019 to May 1, 2020, if an order accepting the Meter Services Entity tariff revisions is not received by September 11, 2019. The NYISO appreciates the opportunity to provide this information to assist the Commission's consideration of this matter.

Respectfully submitted,

/s/ Gregory J. Campbell
Gregory J. Campbell
Attorney
New York Independent System Operator, Inc.
10 Krey Boulevard
Rensselaer, NY 12144

cc: Anna Cochrane
James Danly
Jignasa Gadani
Jette Gebhart
Kurt Longo
John C. Miller
David Morenoff
Daniel Nowak
Larry Parkinson
Douglas Roe
Frank Swigonski
Renee Thorne

Gary Will

⁹ In the absence of an order accepting the Meter Services Entity tariff revisions by September 11, 2019, the NYISO intends to modify the expiration date of Technical Bulletin No. 247 (Responsible Interface Party (RIP) and Curtailment Service Provider (CSP) Meter Data Submission) from October 31, 2019 to April 30, 2020. Extending the applicability of Technical Bulletin No. 247 will allow RIPs and CSPs to maintain their current metering and meter data reporting practices until the proposed Meter Services Entity rules become effective.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Rules of Practice and Procedure, 18 C.F.R. §385.2010.

Dated at Rensselaer, NY this 4th day of September 2019.

/s/ Joy A. Zimberlin

Joy A. Zimberlin New York Independent System Operator, Inc. 10 Krey Blvd. Rensselaer, NY 12144 (518) 356-6207