

22 Attachment G - Emergency Demand Response Program

22.1 Effective Date

The Emergency Demand Response Program ~~shall become~~ became effective on May 1, 2001. ~~At the end of each Capability Period, t~~The ISO will review the Emergency Demand Response Program's performance semi-annually and will propose appropriate changes as necessary.

22.2 Qualification Requirements For Curtailment Services Providers

Curtailment Services Providers must be Customers or, in the case of entities that would ~~become~~ Customers solely for the purpose of participating in the Emergency Demand Response Program, must ~~become~~ Limited Customers. The requirements ~~for for becoming a~~ Limited Customers are set forth in ~~the~~ ISO Procedures.

~~Customers and Limited Customers seeking to become~~ Curtailment Service Providers must: (i) comply with the registration requirements set forth in the ISO Procedures; ~~and~~ (ii) designate one or more contact persons to receive ISO communications; (iii) comply with the metering requirements set forth below in Section VIII22.8 of this Attachment, and as provided in ISO Procedures; and (iv) as discussed in accordance with ISO procedures ~~Procedures~~, be capable of reducing at least 100 kW of NYCA Load in a single Load Zone within two hours of receiving notice of the ISO's ~~activation~~ deployment of the Emergency Demand Response Program. The required Load reduction may be accomplished by Curtailing Load and/or by serving Load with a Local Generator pursuant to ISO Procedures. ~~Curtailment Services Providers must also comply with the metering requirements set forth below in Section 22.8, and in the ISO Procedures.~~

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22.3 Relationship Of The Emergency Demand Response Program To Other Demand Side Response Measures

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The Emergency Demand Response Program is intended to complement other demand-side response programs developed by the ISO, the PSC and LSEs. Except as noted in Section 22.4 below, Curtailment Service Providers are free to participate in other demand response programs, to the extent that those programs allow, ~~except as noted in Section 22.5 below~~; provided, however, that the ~~NY~~ISO will pay under only one program for each MWh of delivered ~~load~~ Load reduction. This restriction is not intended to limit payment for installed capacity otherwise available to Curtailment Service Providers.

22.4 Prohibition On The Double Subscription Of Load

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Curtailment Service Providers may not offer to reduce NYCA Load in the Emergency Demand Response Program that has already been subscribed to the Program by another Curtailment Service Provider.

22.5 ISO ~~Activation~~ Deployment Of The Emergency Demand Response Program

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The ISO ~~shall have discretion to activate~~ may deploy the Emergency Demand Response Program in response to: (i) a Real-Time Locational, Zonal or ~~statewide~~ NYCA-wide Operating Reserve shortage or an ISO peak forecast of a locational, zonal or ~~system~~ NYCA-wide Operating Reserve shortage; (ii) an ISO ~~declared~~ Major Emergency State; ~~or~~ (iii) ~~in response to~~ a request for assistance from a Transmission Owner for Load ~~relief~~ reduction purposes or as a result of a Local Reliability Rule; ~~or~~ (iv) ~~—~~ In the event that the NYISO instructs Special Case Resources to reduce their consumption of Energy, the ISO may activate the Emergency Demand Response Program.

In accordance with ISO Procedures, ~~The~~ ISO may ~~use its discretion~~ elect to call on a subset of participants subscribed in the Emergency Demand Response Program ~~to relieve NYCA or Zonal Emergencies and may call on the performance of fewer than all participants in the~~

~~Emergency Demand Response Program~~ within Load Zone J ~~in accordance with ISO Procedures~~ when responding to the request for assistance from the Transmission Owner for Load reductions within the Load Zone.

22.6 Notification ~~Of To~~ Curtailment Service Providers

The ISO ~~shall attempt will~~, whenever possible, ~~to~~ provide Curtailment Service Providers with day-ahead notice that it may activate deploy the Emergency Demand Response Program. Providing day-ahead notice of possible activation deployment does not commit the ISO to activate deploy the Emergency Demand Response Program or to make payments. ~~The ISO shall provide Curtailment Service Providers with at least two hours' notice of its activation deployment of the Emergency Demand Response Program.~~ The notice shall specify the time at which the ISO requests that demand Load reductions begin and shall, whenever possible, specify when the need for demand Load reductions will end. The ISO will also provide notice to Curtailment Service Providers of the deployment of the Emergency Demand Response Program at least two hours in advance of the start time specified to begin Load reductions, except that, when necessary, the ISO may immediately deploy the Emergency Demand Response Program without advance notice and call upon Curtailment Service Providers to provide Load reductions as soon as possible. ~~The ISO may call Curtailment Services Providers to provide Load reduction as soon as possible in the event of a Real Time Locational or statewide Operating Reserve shortage, emergency, or in response to a Transmission Owner request for assistance for Load relief purposes or as a result of a Local Reliability Rule.~~

~~Curtailment Service Providers shall designate a contact person to receive the ISO's notification.~~

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22.7 Voluntariness Of Emergency Demand Response Program

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Participation in the Emergency Demand Response Program shall be voluntary. The ISO shall not penalize Curtailment Service Providers that decline to take steps to reduce ~~demand~~ Load when the Emergency Demand Response Program is ~~activated~~deployed. ~~Participation in the Emergency Demand Response Program shall not expand or reduce a Local Generator's rights and obligations to buy or sell Energy into the wholesale Energy market.~~ Special Case Resources that have not sold their capacity ~~for the month~~ shall be temporarily transferred to the Emergency Demand Response Program for ~~such each~~ month ~~until such time as~~ in which their capacity ~~is~~ remains unsold.

22.8 Metering

Curtailment Service Providers shall provide sufficient hourly interval metering data, pursuant to ISO procedures, to allow verification of their ~~demand-Load~~ reduction performance.

22.9 Verification

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Curtailment Service Providers shall ~~verify-report~~ their ~~demand-Load~~ reduction performance ~~by providing interval metering~~ data to the ISO in accordance with ISO Procedures on or before within the 75th days after each deployment of their performance in the Emergency Demand Response Program. If ~~a Curtailment Service Provider fails to provide the data within the 75 day period the ISO does not receive timely performance data,~~ the ISO shall refuse to pay for that Curtailment Service Provider's claimed ~~demand-Load~~ reductions. All ~~load-Load~~ reduction data are subject to audit by the ~~NY~~ISO. If the ISO determines that it has made an erroneous payment to a Curtailment Service Provider it shall have the right to recover it either by reducing other payments to that Curtailment Service Provider or by any other lawful means.

22.10 Payment

The ISO shall pay Curtailment Service Providers that have caused a verified reduction in ~~demand Load~~ in response to the ~~activation deployment~~ of the Emergency Demand Response Program ~~provided the Curtailment Service Provider provides evidence of such reductions within 75 days of the demand reduction performance.~~ Payment shall be made in the manner set forth in this section and in accordance with ISO Procedures.

22.10.1 Curtailment Service Provider Eligibility Requirements for Payment

~~If When~~ the ISO ~~activated deploys the an~~ Emergency Demand Response Program ~~event~~ (for the purposes of this subsection, “a deployment event”), each Curtailment Service Provider ~~that caused a verified reduction in demand~~ shall be eligible to be paid for verified Load reductions made during each hour of the payment eligibility period. The first hour of the payment eligibility period shall begin at the top of the hour within which the deployment event is to start as identified by the ISO. For immediate deployment events, the ISO-identified start is the time of the deployment message. The payment eligibility period shall end at the later of the third consecutive hour following the first hour of the payment eligibility period or the deployment event end time identified in the deployment message; provided, however, that the end time may be adjusted by the ISO in messages subsequent to the deployment message demand reduced for the duration of the ISO activation deployment of the Demand Response Program or four hours, whichever is greater.

To be eligible for payment provided under this section the Curtailment Service Provider shall submit to the ISO as provided by sSections VIII and IX 22.8 and 22.9 above and in accordance with ISO Procedures, timely and sufficient Load reduction performance data including, but not limited to, interval metering data for each hour of the payment eligibility period.

22.10.2 Payment for Program Deployment

22.10.2.1 Program deployment lasting two hours or fewer

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~~If the ISO activated~~deploys the Emergency Demand Response Program for more than four hours, each Curtailment Service Provider shall be paid the higher of \$500/MWh, or the zonal Real-Time LBMP per MWh, of demand reduced, starting with the hour specified by the ISO as the starting time of the activation~~deployment, or, in the event that the ISO specified that the demand reduction begin as soon as possible, starting with the hour that the Curtailment Service Provider began its response. For deployment events of two hours or less, each Curtailment Service Provider shall be paid the higher of \$500/MWh, or the zonal Real-Time LBMP for its verified Load reduction during the first two hours of the payment eligibility period, provided however if the deployment event starts after the top of the hour, the Curtailment Service Provider that reduces Load shall be paid the higher of \$500/ MWh or the zonal Real-Time LBMP for its verified Load reduction during the third hour of the payment eligibility period. Each Curtailment Service Provider shall be paid the zonal Real-Time LBMP for each MWh of its verified Load reduction for the remaining hour(s) of the payment eligibility period.~~

22.10.2.2. Program deployment lasting between two and three hours

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~~If the ISO deploys the Emergency Demand Response Program for more than two hours but not exceeding three hours, each Curtailment Service Provider that reduces Load shall be paid the higher of \$500/MWh or the zonal Real-Time LBMP for its verified Load reduction during the first three hours of the payment eligibility period or for each hour of the payment eligibility period in which the program is deployed as established by the start and end times specified by the ISO in the deployment message(s). Each Curtailment Service Provider shall be paid the zonal Real-Time LBMP for each MWh of its verified Load reduction for the remaining hour of the payment eligibility period, if applicable.~~

22.10.2.3 Program deployment exceeding three hours

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If the ISO deploys an Emergency Demand Response Program event that exceeds three hours, each Curtailment Service Provider that reduces Load shall be paid the higher of \$500/MWh or the zonal Real-Time LBMP for its verified Load reduction during each hour of the payment eligibility period.

~~If the ISO activated deploys the Emergency Demand Reduction Program for four hours or less, each Curtailment Service Provider shall be paid as if the Emergency Demand Response Program had been activated deployed for four hours. Each Curtailment Service Provider that reduces demand shall be paid the higher of \$500/MWh or the zonal Real Time LBMP per MWh, of demand reduced, for the duration of the ISO activation deployment of the Emergency Demand Response Program or two hours whichever is greater, starting with the hour specified by the ISO as the starting time of the activation deployment, or, in the event that the ISO specified that the demand reduction begin as soon as possible, starting with the hour that the Curtailment Service Provider began its response. Each Curtailment Service Provider shall be paid the zonal Real-Time LBMP per MWh of demand reduced for the remainder of the four hour minimum payment period, provided that a verified demand reduction was effectuated by the time specified in the ISO's notice.~~

22.11 Cost Allocation

~~In the event that the ISO activated deploys the Emergency Demand Response Program in response to a statewide Emergency, a Real Time statewide Operating Reserve Shortage or peak forecast of a statewide Operating Reserve shortage, p~~Payments made to Curtailment Service Providers for Load reductions provided under the Emergency Demand Response Program shall be recovered from all Transmission Customers pursuant to Rate Schedule 1 of the ISO OATT, on a statewide basis. ~~The ISO shall calculate, and the Transmission Customer shall pay, the monthly charge equal to the product of (A) payments made to Curtailment Service Providers and~~

~~(B) the ratio of (i) the customer's billing units for the month to (ii) the sum of all billing units during that month. Billing units shall be based on the Actual Energy Withdrawals for all Transmission Service to supply Load in the NYCA, and hourly Energy schedules for all Wheel Throughs and Exports. To the extent that the ISO activated deploys the Emergency Demand Response Program in response to an Emergency or a Real Time Locational Operating Reserve shortage or a peak forecast of an Operating Reserve shortage in a particular zone or zones, including Load relief or to meet a Local Reliability Rule within a Zone as requested by a Transmission Owner, the billing units for such charges will be based on the Actual Energy Withdrawals the affected zone(s) during the hours in which the Emergency Demand Response Program was activated deployed.~~

~~LSEs shall also be required to pay the monthly charges calculated above for the Transmission Customers which the LSE serves as retail access customers.~~