

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

NRG Curtailment Solutions, Inc.)	
)	
Complainant)	
)	Docket No. EL18-188-____
v.)	
)	
New York Independent System Operator, Inc.)	

MOTION TO HOLD PROCEEDING IN ABEYANCE

Pursuant to Rule 212 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.212 (2018), the New York Independent System Operator, Inc. (“NYISO”) respectfully submits this motion to hold in abeyance the paper hearing ordered by the Commission in this proceeding¹ pending Commission action on the NYISO’s planned filing under Federal Power Act (“FPA”) Section 205 to implement a new metering framework. As previously described to the Commission in this proceeding, the NYISO is advancing a package of tariff revisions to integrate Distributed Energy Resources (“DER”) into the wholesale markets (the “DER Filing”).² That package includes enhancements to Market Administration and Control Area Services Tariff (“Services Tariff”) Sections 13 and 15.10 containing new rules for third-party provision of metering services.³

The proposed metering framework was developed through an extensive stakeholder process and will offer a comprehensive resolution of the metering issues that were identified in

¹ See *NRG Curtailment Solutions, Inc. v. New York Independent System Operator, Inc.*, 165 FERC ¶ 61,247 (2018) (“Paper Hearing Order”).

² See, *Initial Brief of the New York Indep. Sys. Operator, Inc.*, Docket No. EL18-188-000 (Feb. 4, 2019) at pp 19-20.

³ The NYISO has not provided a blackline version of Services Tariff Section 15.10 because that section is new in its entirety.

the Paper Hearing Order. The NYISO's Management Committee approved the DER market design, including the metering framework, by a majority show of hands on April 24, 2019.⁴ In May 2019, the NYISO will seek authorization from the NYISO Board of Directors to submit its FPA Section 205 filing. The NYISO anticipates submitting the DER Filing by the end of June 2019, and, upon Commission acceptance, will implement the new metering framework by November 1, 2019.⁵

In order to facilitate a transition to the new rules by the beginning of the Winter 2019-2020 Capability Period, NYISO staff has begun preparing the necessary processes and procedures to implement the stakeholder-approved Meter Services Entity ("MSE") proposal. Allowing these issues to be addressed through the Section 205 DER Filing will avoid duplication and wasted resources in the two proceedings, eliminate the risk of confusion and delay, and facilitate a final resolution.

I. Background

In response to a complaint filed by NRG Curtailment Solutions, Inc. ("NRG Curtailment"), the Paper Hearing Order held that the metering provisions of the NYISO's Services Tariff are unjust and unreasonable to the extent that they require non-transmission owner Curtailment Service Providers ("CSPs") and Responsible Interface Parties ("RIPs") to be certified for participation in NYISO-administered markets as Meter Service Providers ("MSPs") or Meter Data Service Providers ("MDSPs") by the New York State Department of Public

⁴ The Management Committee vote included one vote against and abstentions.

⁵ The NYISO proposes to implement the new metering framework at the beginning of the Winter 2019-2020 Capability Period on November 1, 2019, in order to facilitate an orderly transition to the new rules. It is important that the transition occur at the beginning of a Capability Period because the majority of the meter data reporting requirements for Demand Side Resources apply on a Capability Period basis. For example, certain Special Case Resources are required to verify their baseline Load across the Resource's top 40 Load hours over the entire 6-month Capability Period. 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.

Service (“NYDPS”).⁶ The Commission established a paper hearing to address four questions identified as central to the development of metering rules that will address the concerns identified in the NRG Curtailment complaint. Those four issues are:⁷

- What metering requirements could be implemented in NYISO, that would not be unduly discriminatory and yet would effectively evaluate, measure, and verify customer meter data?
- How would such metering requirements address the verification of meter data and auditing of metering service providers?
- How would such metering service eligibility criteria ensure that metering services are available to customers in all geographic areas of NYISO?
- Would such metering requirements allow self-certification for demand response providers in NYISO? If not, please explain why.

The NYISO’s February 4, 2019 Initial and March 6, 2019 Reply Briefs in this proceeding described in detail the new metering framework that it intends to implement as part of the DER initiative. The new framework will replace the existing MSP and MDSP requirements with a set of rules under which an interested party may qualify as a MSE to provide metering and/or meter data services for itself or for other aggregators of DERs and Demand Side Resources (*e.g.*, CSPs, RIPs) participating in the NYISO-administered markets.⁸ Specifically, the proposed rules, which the NYISO includes for informational purposes as Attachments A and B to this Motion: (i) permit CSPs, RIPs, and, in the future, DER Aggregators, to utilize either the local Transmission Owner or a NYISO-authorized MSE to provide metering and meter data services; (ii) requires that all metering and telemetry for individual resources meet the requirements identified in the

⁶ See Paper Hearing Order at P 37.

⁷ *Id.* at P 40.

⁸ Attachment A, *Proposed Services Tariff Revisions* at § 13.3.1.1.

ISO Procedures;⁹ (iii) establishes MSE eligibility criteria;¹⁰ and (iv) obligates the Aggregator, CSP, or RIP to pay the NYISO's costs of conducting metering and meter data service audits pursuant to Rate Schedule 10.¹¹ Perhaps most importantly, the MSE eligibility requirements will be non-discriminatory, permitting Market Participants, including CSPs and RIPs, to serve as their own MSEs. Implementation of the new rules will eliminate the need for the rule mandating that any entity other than a Transmission Owner be certified by the NYDPS as an MSP or MDSP to provide metering and meter data services to Demand Side Resources participating in the NYISO-administered markets. Accordingly, the NYISO's proposed tariff revisions remove that requirement.¹²

NYISO stakeholders have had an extensive opportunity to review and provide feedback through the NYISO's shared governance process. The NYISO presented its proposed concept to replace the existing rules at multiple Working Group meetings throughout 2018 and into 2019,¹³

⁹ Attachment A, *Proposed Services Tariff Revisions* at § 13.3.3. The NYISO currently identifies metering standards in the ISO Procedures. Because of the evolving nature of metering and telemetry standards, the NYISO believes it is appropriate to include those standards in the ISO Procedures to maintain the flexibility to update those standards as needed and in accordance with its shared governance procedures and related Commission requirements.

¹⁰ Attachment A, *Proposed Services Tariff Revisions* at § 13.3.2.1.

¹¹ Attachment B, *Proposed Services Tariff Revisions* at § 15.10.

¹² The proposed tariff revisions will require updates to the ISO Procedures to remove material related to the MSP and MDSP rules. The NYISO has already initiated internal processes to review and update the applicable ISO Procedures.

¹³ See, *DER Meter Service Constructs for NYISO Market Participation*, Market Issues Working Group Presentation (Sept. 11, 2018), available at: <https://www.nyiso.com/documents/20142/2549087/DER%20Participation%20Model%20Meter%20Service%20Constructs.pdf>; *Conceptual Details of MSEs Participation in NYISO Markets*, Market Issues Working Group Presentation (October 23, 2018), available at: <https://www.nyiso.com/documents/20142/3698895/DER%20Market%20Design%20-%20Conceptual%20details%20of%20MSE%20Participation%20in%20NYISO.pdf>; *Meter Services Design Updates*, Market Issues Working Group Presentation (November 30, 2018), available at: <https://www.nyiso.com/documents/20142/3759319/DER%20Market%20Design%20-%20Meter%20Service%20Entity%20Design%20Updates.pdf>; *Metering, LBMP Calculation, and Creditworthiness Tariff Amendments for DER*, Market Issues Working Group Presentation (Feb. 15, 2019), available at: <https://www.nyiso.com/documents/20142/5020603/Metering%20LBMP%20Calculation%20and%20Creditworthiness%20DER%20Tariff%20Amendments%20021519.pdf>; *Metering and MSE Cost Recovery Tariff Amendments*, Market Issues Working Group Presentation (Apr. 5, 2019), available at:

and provided draft tariff revisions to the Working Groups,¹⁴ Business Issues Committee,¹⁵ and Management Committee.¹⁶ The NYISO has been receptive to feedback throughout its stakeholder process, and revised its proposal where appropriate based on that feedback.¹⁷

II. Motion

The Paper Hearing Order acknowledged the NYISO's efforts to develop new metering rules through its DER initiative, but held that "the current metering requirements . . . are in need of immediate remedy."¹⁸ The paper hearing initiated by the Commission is designed to facilitate the implementation of such a remedy. However, the paper hearing remains in a relatively early stage, particularly with regard to the development of new NYISO metering rules.

By contrast, the impending DER Filing will contain a complete revamp of the NYISO's metering requirements, including a comprehensive set of rules that, among other things, will

<https://www.nyiso.com/documents/20142/5880048/Metering%20and%20MSE%20Cost%20Recovery%20Tariff%20Amendments.pdf>.

¹⁴ See, Proposed Tariff Revisions Accompanying Market Issues Working Group Presentation *Metering, LBMP Calculation, and Creditworthiness Tariff Amendments for DER* (Feb. 15, 2019), available at: <https://www.nyiso.com/documents/20142/5020603/MST%2013%20-%20Metering%20-%20DER%20Tariff%20Amendments%20021519.pdf>; Proposed Tariff Revisions Accompanying Market Issues Working Group Presentation *Metering and MSE Cost Recovery Tariff Amendments* (Apr. 5, 2019), available at: <https://www.nyiso.com/documents/20142/5020603/MST%2013%20-%20Metering%20-%20DER%20Tariff%20Amendments%20021519.pdf> (Services Tariff § 13), and <https://www.nyiso.com/documents/20142/5880048/MST%2015%20Rate%20Schedule%2010.pdf> (Services Tariff § 15.10).

¹⁵ See, *DER Energy & Capacity Market Design*, Business Issues Committee Presentation (Apr. 17, 2019), available at: <https://www.nyiso.com/documents/20142/6006612/BIC%20DER%20Market%20Design%20Presentation.pdf>. The NYISO presented draft tariff language to the Business Issues Committee, which voted to recommend that the Management Committee approve the market design and related tariff revisions, but the Business Issues Committee did not specifically approve the tariff revisions presented on April 17. Proposed Tariff Revisions, available at: <https://www.nyiso.com/documents/20142/6006612/OATT%201%20and%20Previously%20Presented%20Tariff.zip>.

¹⁶ The tariff revisions presented to, and approved by, the Management Committee are attached to this Motion as Attachments A and B.

¹⁷ See, e.g., *Reply Brief of the New York Indep. Sys. Operator, Inc.*, Docket No. EL18-188-000 at 4-5 (Mar. 6, 2019) (describing NRG Curtailment's concern with the NYISO's cost allocation proposal, and the NYISO's subsequent revision of that proposal).

¹⁸ Paper Hearing Order at P 39.

remove existing restrictions on who may provide metering services. The DER Filing not only will answer the four questions identified by the Commission in the Paper Hearing Order, but also will provide a comprehensive metering proposal that fully resolves the concerns that underlie the Commission's holding that certain aspects of the NYISO's metering rules were unjust and unreasonable. Furthermore, as noted above, the revised metering rules that will be set forth in the DER Filing have been fully vetted through the NYISO stakeholder process.

Under these circumstances, it is appropriate to hold the paper hearing in abeyance pending Commission action addressing the new metering rules in the DER Filing. Without an order holding the paper hearing in abeyance, the NYISO and the other parties will be forced to address the same issues in two different proceedings, an unnecessary duplication of work. Furthermore, addressing the same set of issues in two separate proceedings, each of which involves a different stage of rule development, could lead to confusion over Commission directives and guidance, and possibly to duplicative or conflicting metering rules. Finally, the DER Filing offers the potential for a relatively speedy and efficient resolution of the issues raised in the Paper Hearing Order, particularly since the DER Filing has been developed through, and subjected to review under, a comprehensive stakeholder process.

III. Conclusion

The resolution of the metering issues pending in this docket is best accomplished through Commission action on the NYISO's impending DER Filing. Such an approach will minimize duplication of work and the risk of contradictory or otherwise confusing directives, and will lead to a quicker and more efficient resolution of the applicable issues. Accordingly, the NYISO

respectfully requests that the Commission grant this motion to hold the paper hearing in this docket in abeyance pending Commission action on the NYISO's impending DER Filing.

Respectfully submitted,

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