

August 17, 2023

Submitted Electronically

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

**Re: *New York Independent System Operator, Inc.*, Docket No. ER23-2040-00_;
Response to Deficiency Letter**

Dear Secretary Bose:

The New York Independent System Operator, Inc. (“NYISO”) submits this response to the Federal Energy Regulatory Commission (“Commission”) Office of Energy Market Regulation (“OEMR”) deficiency letter issued in this proceeding on July 17, 2023 (“Deficiency Letter”). The Deficiency Letter directs the NYISO to respond to eight enumerated questions regarding the NYISO’s June 1, 2023 filing in this proceeding (the “June 1 Filing”).¹ Responses to each of OEMR’s questions are provided in Attachment I to this letter.

In addition to the attached responses to the Deficiency Letter, the NYISO submits in Attachment II a clean version of the Market Administration and Control Area Services Tariff Section 2.5 that was submitted with the June 1 Filing.² The NYISO requests that the Commission issue an order accepting all of the tariff revisions proposed in the June 1 Filing within sixty (60) days of the date of this response.

The June 1 Filing requested a flexible effective date of no later than December 15, 2023, for the revisions to the NYISO’s Open Access Transmission Tariff and Market Administration and Control Area Services Tariff implementing its DER and Aggregation participation model.³ As the NYISO explained in that filing, the precise effective date for those tariff revisions will depend on the completion, testing, and deployment of the software and related applications necessary for the Distributed Energy Resource (“DER”) and Aggregation participation model, system conditions, and other factors.⁴ The NYISO now expects to complete its software development and testing by September 1, 2023, and to be able to implement its DER and

¹ New York Indep. Sys. Operator, Inc., Proposed Tariff Revisions Regarding the Participation of Distributed Energy Resources and Aggregations, Docket No. ER23-2040-000 (Jun. 1, 2023) (“June 1 Filing”).

² Deficiency Letter at 4 n.11.

³ June 1 Filing at 22. Note that the June 1 Filing proposed a later effective date for tariff revisions that are part of the NYISO’s termination of its Day-Ahead Demand Response Program and Demand Side Ancillary Services Program. *Id.* at 23.

⁴ *Id.* at 22.

Aggregation participation model soon thereafter. Prompt Commission action will enable DER and Aggregations to begin enrolling in the NYISO's markets by the end of 2023.

As explained in the June 1 Filing, the NYISO plans to make the revisions proposed in this Docket No. ER23-2040-000 effective simultaneously with the tariff revisions proposed and accepted in Docket No. ER19-2276-000, *et al.* ("2019 DER Filing").⁵ Should the Commission reject the June 1 Filing (or parts thereof), the NYISO will not be able to make the 2019 DER Filing effective until tariff language addressing the Commission's concern(s) is developed through the NYISO's stakeholder process, filed and accepted by the Commission, and, to the extent necessary, software is modified to reflect the revised market rules. This process may significantly delay the implementation of the NYISO's DER and Aggregation participation model and termination of the Day-Ahead Demand Response Program and Demand Side Ancillary Services Program.

The NYISO will send an electronic link to this filing to the official representative of each party to this proceeding, to the official representative of each of its customers, to each participant on its stakeholder committees, to the New York State Public Service Commission, and to the New Jersey Board of Public Utilities. In addition, the complete filing will be posted on the NYISO's website at www.nyiso.com.

The NYISO respectfully requests that the Commission (i) accept this response to the Deficiency Letter, (ii) accept the NYISO's June 1 Filing, including the proposed tariff revisions, without modification, and (iii) act on the NYISO's proposed tariff revisions within sixty (60) days.

Respectfully submitted,

/s/ Gregory J. Campbell

Gregory J. Campbell, Senior Attorney
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⁵ *Id.* at 22-23.

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 17th day of August 2023.

/s/ Elizabeth Rilling

Elizabeth Rilling
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