

Market Design Concept for DSASP Aggregations

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Agenda

- Review
- Communication Paths for DSASP
- Direct Communications for DSASP Concept
- Dependency between DSASP Aggregations and Direct Communications for DSASP
- Market Concepts for DSASP Aggregations
 - Communications and Measurement
 - Resource Registration
 - Other
- Next Steps

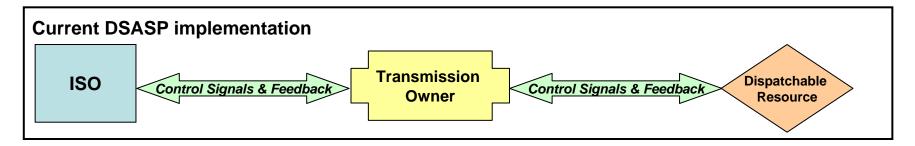


Review

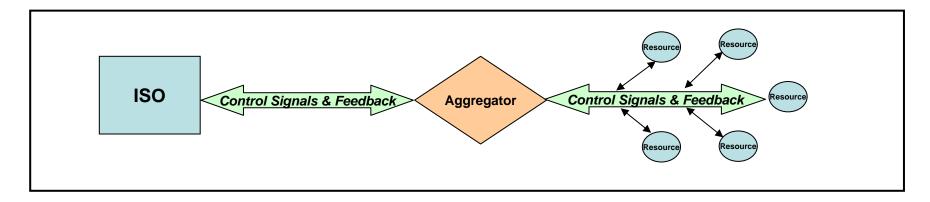
- DSASP Workshop in May discussed direct communication for DSASP
- Direct communication for DSASP will facilitate the participation of aggregations
 - Simplifies implementation
 - Standardized requirements
 - Composite signal to/from aggregator
 - Aggregator coordinates and measures response of resources
 - Practical approach for aggregators with resources in multiple zones
 - Current approach for DSASP would require aggregators to integrate with multiple Transmission Owners



Communication Paths for DSASP



- Current communication path from NYISO to Transmission Owner to DSASP resource
- Direct communication path from NYISO to Aggregator
 - Aggregator manages communication with resources, collects response of the aggregation





DSASP Concept

- NYISO sends dispatch instructions via ICCP to the DSASP aggregator
- The DSASP aggregator sends response directly to the NYISO
- NYISO updates the Transmission Owner on each update/scan cycle
- NYISO will work with Transmission Owners to develop consistent approach for receipt of signal from NYISO to Transmission Owners for demand response resources using Direct Communication for DSASP



DSASP Aggregations and Direct Communication for DSASP

- Participation of DSASP Aggregations is linked to implementation of direct communication for DSASP
 - Approach: Parallel paths for implementing DSASP
 Aggregations and specifying functional requirements for Direct Communication for DSASP
- Direct Communication requirements to address:
 - Requirements for level of communication redundancy
 - Requirements for measurement and verification (M&V)
 - NYISO real-time communication with Transmission Owners regarding level of demand response providing reserves
 - Procedures for Interim Control Operations
- Tariff, manual and other documentation changes to include aggregations



Market Concepts for DSASP Aggregations

Communications and Measurement

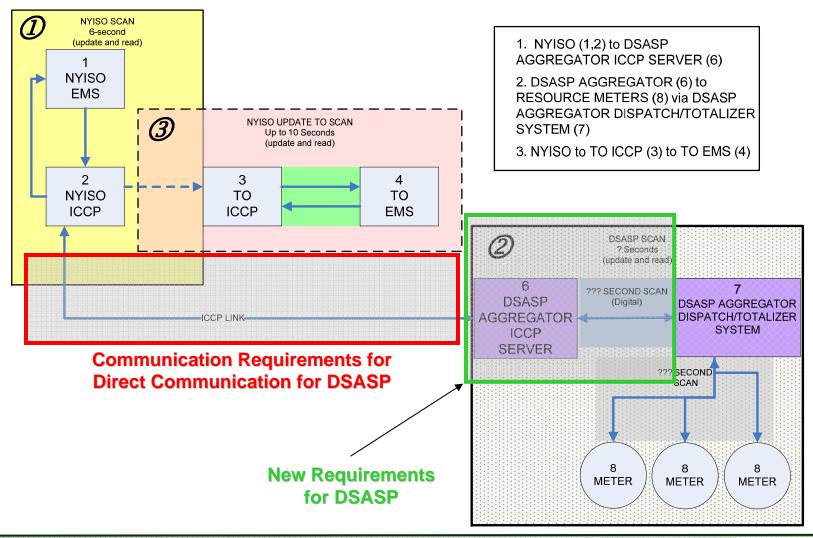
Communications:

- Direct two-way real-time communication between the NYISO and the aggregator via ICCP
- Requirements for level of communication redundancy

Measurement:

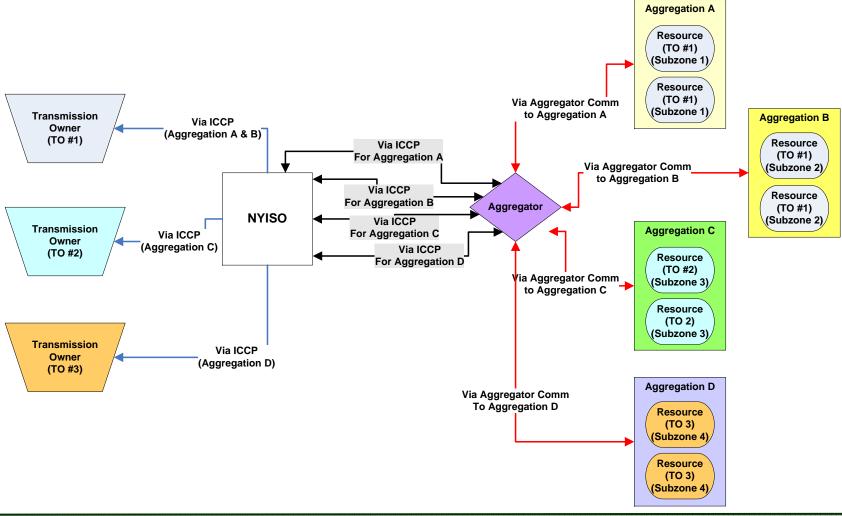
- Measurement requirements between aggregator and resources in an aggregation for two-way signals to the NYISO
 - Such as sampling rate (synchronous or asynchronous polling) and totalization
- Latency and other measurement and response requirements to be specified

Sample Direct Communication Path for DSASP Aggregation





Proposed Direct Communication Flow for DSASP Aggregations





Market Concepts for DSASP Aggregations

Resource Registration

- Aggregations must contain resources within the same sub-zone
 - Grouped by Transmission Owner within a load zone
 - Feedback loop from NYISO to Transmission Owner must identify amount of reserves from demand response
- Changes to DSASP aggregations must be reported to Customer Relations Department via updated DSASP registration packet
 - To identify whether a change is required to the operating limits of the DSASP resource
 - To identify the resources in the aggregation to prevent duplicate enrollments in DSASP aggregations



Market Concepts for DSASP Aggregations - Implementation

Tariff, Manuals, Procedures, and Software

Review Tariff

 Specific DSASP references related to types of resources and communication with DSASP resources

Manual changes

- Ancillary Services Manual
 - Requirements for prequalification and ability for NYISO Operations to audit that apply to single DSASP resources would also apply to aggregations

Procedures

- Direct Communication Procedures
- Any procedures involving DSASP resource registration, including requirements for DRIS

Software

 Assessment of potential changes to NYISO systems to support DSASP aggregations



Market Concepts for DSASP Aggregations Other

- DSASP resources (single or aggregations) still have the option to connect through the Transmission Owner
 - Transmission Owner requirements would apply for communication and measurement
- NYISO to evaluate the need for locational limits on the amount of Operating Reserves from aggregations



Next Steps - DSASP Aggregations

- Market Concept presentations to MIWG (Dec. 6) and BIC (Dec. 8)
- Engage other working groups: OC, SOAS, CDAS
- First Quarter 2011: Develop market rules and procedures for DSASP Aggregations
 - Evaluate the need for locational limits on Operating Reserves from aggregations
 - Develop procedures for registration of DSASP aggregations
 - Prepare and review any revisions to tariff language, manuals, and procedures
 - Identify any software implementation requirements
- Second Quarter 2011:
 - Development
- Third Quarter 2011
 - DSASP Aggregations: Deployment

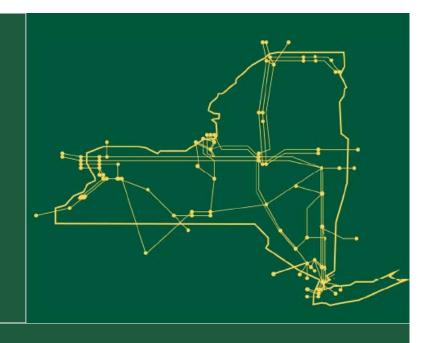


Next Steps Direct Communications for DSASP

- Engage other working groups: OC, SOAS, CDAS
- Second Quarter 2011: Develop requirements for Direct Communications for DSASP
 - Work with SOAS to specify requirements for Interim Control Operations for DSASP resources
 - Aggregator's communication to resources in a DSASP aggregation:
 - Develop requirements for performance characteristics of measurement equipment
 - Develop procedures for evaluation and approval of measurement
 - Prepare and review any revisions to manuals, and procedures
- Third Quarter 2011
 - DSASP Communication: Functional Requirements



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