

New York REV DER-market discussions underway

NEM: Customer data needs to be available to ESCOs

The rubber is starting to hit the road in the New York PSC's Reforming the Energy Vision (REV) proceeding with comments pouring in Monday on how the utilities should design their distribution system platforms (DSPs). Staff issued recommendations this fall and they won some plaudits from entities seeking to provide distributed energy resources (DER) on a competitive basis, though others argued for more protections.

Staff suggested third parties be allowed to weigh in on utilities' plans as they are being crafted and on an ongoing basis as the DER markets evolve. NRG Energy welcomed that, saying it was critical that other voices be allowed in the planning process.

The firm suggested a series of stakeholder sessions starting next month to weigh in on individual utility plans that are facilitated by a neutral party. Ensuring third-party facilitation will ensure other parties are able to present their views and offer suggestions.

Sessions early in the year can focus on the individual utility plans due June 30 and moving forward they can start to focus on the joint "supplemental plan" due Sept 1 that will come from all of the wires firms and focus on standardization, NRG said.

While advanced meters are important to the REV process, NRG argued utilities would need to install more smart infrastructure than that. DER can help respond to conditions at the distribution level and at wholesale, but to do so, the distribution system will need sensors and data acquisition systems that can send signals to DER controllers and service providers about what is needed.

That response, however, should not be controlled by utilities – just the monitoring equipment needed to make it possible, NRG argued.

"This will encourage competitive DER providers to use non-utility capital and optimization capabilities, whether alone or in partnership with the DSP or utility, to design, select, develop,

operate and optimize a variety of DER to meet system needs," NRG said. "The utility's investments should focus on gathering and sending the signals regarding type of DER and needed functionality to the competitive side of the marketplace, but not necessarily in systems to control and operate those DER."

The Advanced Energy Economic Institute, the charitable arm of a group that includes General Electric, DR providers, software firms and others geared toward making the energy system more secure, clean and affordable, agreed that stakeholder engagement is vital going forward.

AEI argued summaries of the dense, technical filings the utilities will be making this June be drafted either by the firms themselves or the regulator's staff. They would let stakeholders get a complete picture of the plans.

The National Energy Marketers Assn (NEM) argued that planning process will need to move further away from the way utilities now plan their systems than staff has envisioned. Such a process is likely to suffer from existing utility biases against third-party solutions and bond funds, NEM said.

"Retaining the traditional utility-centric approach to system planning will not advance the REV goals of robust DER participation and increased consumer engagement in energy usage decisions," NEM said. "This approach carries a significant risk of creating new utility demand monopolies, given the utilities superior access to system data and apparent authority to select when, where and which DER solutions will be deployed."

NEM also urged the commission to ensure that third parties get enough access to customer data. Customers own the data and utilities should not be made its gatekeeper in the guise of customer privacy.

"A streamlined mechanism must exist by which ESCOs can obtain billing-quality data for all of their customers (with customer authorization), without having to make multiple requests for data for each individual customer," NEM said. "ESCOs and utilities currently use EDI (Electronic Data Interchange) infrastructure to share data and they should continue to be able to make use of their

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existing EDI data receiving- and processing-infrastructure.”

The Joint Utilities said they would hire a third-party facilitator for the supplemental plan that they have to file together. Although the consultant would be paid by them, the utilities would be responsive to all stakeholders and would show independence in their engagement.

IOUs offer ‘insightful’ data

On data access, the wires firms proposed giving DER providers “insightful information, as an output from the planning

processes, to provide locations of system need and the ability of the system to host distributed generation.” That information will provide significant value to DER providers and will become increasingly vital as DER penetration grows and the distribution system becomes more and more dynamic.

Letting the utilities interpret the raw data and then give that to DER providers makes more sense because the raw information is not self-explanatory and has to be considered in the context of local system design criteria, local knowledge of operation performance, security concerns and other issues.

“Distribution system planners can perform analyses in a cost effective manner, interpret results and communicate information to facilitate market growth,” the utilities said. “By providing valuable insights instead of raw data, concerns of data security and sensitivity can be more readily managed.”