BEFORE THE
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

Proceeding on Motion of the Commission to Develop Dynamic Load Management Programs	)))	**Case 15-E-0186, Case 15-E-0189, Case 15-E-0188, Case 15-E-0191, Case 15-E-0190, Case 14-E-0423**

COMMENTS OF NRG ENERGY, INC. ON TARIFF FILINGS PROPOSING REVISIONS TO DYNAMIC LOAD MANAGEMENT PROGRAMS

Pursuant to the New York State Public Service Commission's ("Commission" or "PSC") March 9, 2016 notices in the New York State Register, Notice Nos. PSC-10-16-00007-P to 00009-P and PSC-10-16-00013-P to 00014-P, NRG Energy, Inc. ("NRG") respectfully submits these comments in response to the tariff revisions filed in the above-captioned docket by Niagara Mohawk Power Corporation ("National Grid"), New York State Electric & Gas Corporation ("NYSEG"), Rochester Gas & Electric ("RG&E"), Central Hudson Gas & Electric Corporation ("Central Hudson"), and Orange & Rockland Utilities, Inc. ("Orange & Rockland") (collectively, the parties are "Utilities" and the filings "Tariff Revisions").[1]

I. Background and Summary

The Commission in its December 15, 2014 Order directed all utilities without distribution-level demand response programs to develop dynamic load management program tariffs that included such programs within 90 days of the order. Recognizing the significant potential gains that can be captured by developing programs in time for summer periods of high peak load, the PSC directed stakeholders to develop distribution-level demand response

[1] The tariffs were filed pursuant to the Proceeding on Motion of the Commission to Develop Dynamic Load Management Programs, Order Instituting Proceeding Regarding Dynamic Load Management and Directing Tariff Filings, Case 14-E-0423 (Dec. 15, 2014) ("December 15 Order"); Notice of Stakeholder Meetings, Case 14-E-0423 (Jan. 2, 2015); Ruling on Extension Request, Case 14-E-0423 (Jan. 26, 2015). The instant Tariff Revisions were filed in compliance with the Commission's June 18, 2015 Order in that proceeding.

programs that can be implemented for Summer 2015. The instant Tariff Revisions were filed in compliance with the Commission's June 18, 2015 Order in this proceeding.

The Utilities have submitted a number of programmatic changes, many of which NRG supports because they foster improvements to the robust dynamic load management programs and further accommodate broader program participation. However, without modification certain program features could impede competition or erect barriers to entry.

II. General Comments on all Proposed Tariffs Changes

A. The Proposed Amendments' Reduction of the Planned Event Trigger Lack Adequate Support or Justification and should be Rejected.

NYSEG, RG&E, Orange & Rockland, and Central Hudson propose lowering the current event trigger from 96 percent of the forecasted summer system-wide peak to 92 percent, with Central Hudson proposing 94 percent. NRG is concerned that the proponents offer only thin reliability justification for such marked change, and that these unsupported changes will hinder program participation. The Utilities' rationale is devoid of any evidentiary support for why a lower percentage trigger is more favorable than another value. Lowering the event trigger by two to four percentage points risks the loss of a substantial number of customers for whom program participation will no longer be economic. Absent a reasoned analysis, supported by substantial evidence demonstrating that the benefits of substantially lowering the planned event trigger outweigh the harm to program participation, the Commission should reject the Utilities proposed planned event trigger.

B. Improvements to Program Informationare Needed.

In order to foster program marketing, enrollment and implementation, NRG requests that the Commission direct the Utilities to utilize "one stop shopping" to make key program information on their websites more easily available. Such information should include aggregation applications, program information, and general program rules. While NRG recognizes that these programs are new to the Utilities, it has been challenging for NRG personnel to locate critical information needed to register as an aggregator, and to provide customers with locations on the Utilities' website(s) that reflect the same information that is provided by the aggregator. NRG proposed that the Commission direct the Utilities to work with Consolidate Edison ("ConEd"), as ConEd has several years of experience in this area, in order to leverage ConEd's knowledge to improve the public accessibility of program information.

III. Comments on National Grid's Proposed Tariff Changes

A. National Grid Should Not be Permitted to Limit through Voltage Level Restrictions Full Customer Participation.

National Grid's tariff restricts participation to customers that are connected at the *primary* or *secondary voltage* level. This restriction is in both National Grid's distribution load relief program and commercial system relief program rules, however, this restriction may have been incorporated in the commercial system relief program in error. Because the commercial system relief program is designed to address peak load reductions, there is no justification for requiring customers who seek to provide such peak load reduction and avoid system emergencies to be connected at the primary or secondary voltage level.

NRG respectfully requests that the Commission direct National Grid to remove this provision from the commercial system relief program tariff because there is no reason, or justification, to limit customers from participating in the commercial system relief program based on the voltage level at which the customer is served.

B. National Grid Should Not be Permitted under the Distribution Load Relief Program to Limit Customer Participation.

In order to realize the substantial benefits that distribution-level demand response programs provide to the electric distribution system and customers, the geographic reach of such programs should be as broad as possible. Most Utility programs specify multiple Company Designated Areas, reflecting distribution networks that are at risk under high load and/or maintenance conditions for which demand relief may be sought. This allows for broader customer enrollment and achieves levels of distribution system load relief that capitalize on demand response's value as a system planning resource. Unlike the balance of the Utility programs, and as was the case in 2015, National Grid appears to restrict its program to a single "Company Designated Area (CDA)". National Grid's website currently lists only the Kenmore are as a CDA, which is a small area of its service territory in Buffalo. Unless it is increased to National Grid's full service territory, significant program benefits such as increased system efficiency and improved system reliability and resiliency will again be lost for the Summer 2016. NRG requests that the Commission direct National Grid for Summer 2016 to allow participation in National Grid's full service territory.

IV. Comments on Central Hudson's Proposed Tariff Changes

Central Hudson in its tariff proposes to limit commercial system relief program participation to the months of June through September. Central Hudson has provided insufficient justification for eliminating customer participation during the month of May. In addition, if allowed to eliminate commercial system relief program participation for the month of May, Central Hudson would be the only utility precluding such participation during that month. As NRG stated in its prior filing, uniformity of program rules across utilities lessens the administrative burden on aggregators and fosters broader program participation. Accordingly, while the May 2016 monthly registration period has passed, NRG respectfully requests that the Commission direct Central Hudson to allow participation for the month of May in future years.

V. Comments on NYSEG and RG&E Proposed Tariff Changes

A. Proposals to Test Outside of the Contract Period Should be Rejected.

In their proposed tariff revisions both NYSEG and RG&E ("Joint Utilities") seek the authority to test customers in the commercial system relief program outside the four hour contract period. However, testing outside of the four hour contract period would allow the Joint Utilities to activate customers during hours when such customers would otherwise have no obligation under the program, nor would the customer(s) receive additional revenue. According to NYSEG & RG&E representatives the commercial system relief program contract hours will be between 2pm and 6pm, Monday through Friday. Tests should be limited to time periods when customers both receive revenue for their participation in the program and are obligated to test or respond to an event. In addition, as stated above, program uniformity is critical when administering these programs. Allowing test calls outside of the contract period is a significant departure from the other utility commercial system relief program rules that interject confusion and should be rejected.

B. The Proposals to Utilize Unplanned Events when Calculating Performance Factors Should be Rejected.

The Joint Utilities have proposed to include Unplanned Events when calculating a customer's and/or aggregator's performance factor. Unplanned Events are events that are triggered, or activated, by the Joint Utilities outside of the time periods set forth in their tariffs. Unplanned Events are, by definition, designed to encourage demand response customers to *voluntarily* reduce load during times when system conditions warrant activation but when the utility is unable to require participation within its program rules. Unplanned Events should not be used as a measure to impose penalties on customers for voluntary participation. Many customers gear their internal processes to focus on providing curtailment during the periods under which they are contractually obligated to perform. Incorporating these Unplanned Events into a customer's or aggregator's performance factor penalizes a customer or aggregator for the Joint Utilities' inability to activate the program within their own tariff limits, which is beyond the customer's or aggregator's control. Finally, allowing for inclusion of such Unplanned Event performance would be a significant departure from the other utilities' program rules.

NRG requests that the Commission direct the Joint Utilities to revise their tariffs such that only Planned Events are utilized in calculating the performance factor, and eliminating Unplanned Events in the performance factor calculation.

VI. Conclusion

NRG respectfully requests that the PSC accept these Comments and adopt its recommendations made herein.

Respectfully submitted,

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