

# RRRFE

## The Distribution Utility As Distributed Resource Platform

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# New York Public Service Commission Regulatory Reform Initiative

- “What should be the role of the distribution utilities in enabling system wide efficiency and market based deployment of distributed energy resources and load management?”
- “What changes can and should be made in the current regulatory, tariff and market design and incentive structures in New York to better align utility interests with achieving our energy policy objectives?” (REV Report)



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- Incumbent Utilities as Distributed System Platform Provider (“DSPP”)
- Incremental Implementation
- Siting of Distributed Generation a DSPP Function



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- Development of a Methodology to establish Private/System Benefit Rate
- DSPP – The local Balancing Authority



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- An Aggressive Schedule
- Working Group Architecture
- Need for Common Approach/Interoperability
- A nimble, interactive, communicating system
- Integration to enable optimization
- Evolutionary
- Standards and Protocols discipline



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- What is DER?
  - DG, ES, DR, EE, MGs, other distributed resources

## Role

- Avoided or deferred T&D investments
- Reduce line losses
- Increase system flexibility
- Fuel Diversity
- Optimization of Resources



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- An integrated, centrally organized system enhances benefits because DER products effectiveness is dependent on:
  - Location
  - Time of day
  - Resource
  - Price





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- Pricing
  - Monetization of DER benefits
  - Monetization of public policy and customer benefits
  - Interconnection rules
  - Deployment of communication/integration infrastructure
  - Revisit standby rates/cost allocation
  - Net metering



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- Utility identifies where DER most valuable, from a *system* perspective
- Avoidance of T&D investment
- Partner to develop optimizing projects
- Develop enabling standards and protocols
- Integrate DER



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- Regulatory Norms
  - Rate issues
  - Incentives through PBR regime
  - Monetization methodology

