



# SIR8 DISTRIBUTED ENERGY RESOURCE

MARKET DESIGN

MARCH 18, 2020

*Helping our members work together to keep  
the lights on... today and in the future.*



SouthwestPowerPool



SPPorg



southwest-power-pool

# DISTRIBUTED ENERGY RESOURCE - SPP

- **Issue Description: Purpose – What will your initiative do for SPP’s Market**
  - In the Integrated Market, behind-the-meter generation must be located behind the same POI to be allowed to aggregated as a single resource. This limits participation of behind-the-meter generation and demand response programs that are not large enough to participate in the Integrated Market when aggregated behind a single POI.
- **Potential Benefit: How is SPP’s market improved by implementing your initiative**
  - Increase participation of behind-the-meter generation and demand response programs by allowing a wider aggregation than the same POI.
    - First, SPP will work with members to determine potential interest in DER participation.
    - Second, SPP will determine if new rules and procedures are needed to allow DER participation.
- **Potential System Impacts**
  - API/MUI, CMT, DAMKT, RUC, RTBM, EMS, MDB, MFC, MKTNET, MMU Processes, MOI, OCC, Scheduling, RTGEN, URT Process

# DISTRIBUTED ENERGY RESOURCE - SPP

- Potential MCE Performance Impact
  - High
- Potential Complexity
  - Design: High
  - Implementation: High
- Potential Risk
  - Could increase solution time depending on the distribution method of the aggregation
  - Could negatively impact reliability if the distribution method is inconsistent with the actual deployment method
  - Pricing may not accurately reflect the response if the distribution method is incorrect
- Market Philosophy Impacts: Price Formation, Price Convergence, Market Efficiency, Market Transparency, Market Reliability
  - All