

# Energy Storage and Distributed Energy Resources Phase 2 (ESDER 2) Draft Tariff Language

Comments by Department of Market Monitoring  
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## I. Comments on Draft Tariff Language

### Demand Response

The ESDER 2 policy established a rule change that scheduling coordinators of PDR resources would become responsible for calculation of PDR baselines and submission of settlement quality meter data (SQMD). DMM and other stakeholders noted in the policy development that robust audit procedures would need to be established to maintain integrity of baselines and performance data calculated by scheduling coordinators. The final policy and Draft Tariff Language each discuss the ISO's right to audit baselines and data submitted by scheduling coordinators. However, neither the final policy nor the Draft Tariff Language states a requirement for PDR scheduling coordinators to regularly submit load or calculated baseline data that are used as inputs to the submitted SQMD.

The Draft Tariff Language reflects the requirement for scheduling coordinators of PDR resources to calculate and submit Demand Response Energy Measurements (DREM), which serves as SQMD, in 5-minute granularity. DREM are derived from load data and a baseline calculated by the scheduling coordinator. In order to facilitate robust monitoring and auditing of submitted DREM and scheduling coordinator calculated baselines, DMM recommends that the ISO collect calculated baseline data used in the formation of each DREM submission. DMM also recommends that the ISO collect load data associated with PDR resources for all real-time intervals to further facilitate the monitoring of scheduling coordinator calculated baselines and DREM<sup>1</sup>. DMM suggests that the ISO revise the ESDER 2 Draft Tariff Language to explicitly state these data submission requirements for PDR resources.

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<sup>1</sup> DMM is recommending that the ISO routinely collect load data aggregated to the level of the PDR resource, and not at the level of individual service accounts which may underlie the PDR resource. As DMM understands, demand response providers would still have an obligation to retain the more granular load data which could be subject to audit by the ISO as necessary.