

# Annual Meeting

## Evolving Compensation and Market Mechanisms

December 7–9, 2020 (Virtual)  
[Registration](#)



NATIONAL COUNCIL  
ON ELECTRICITY POLICY

### *Meeting & Workshop Scope*

In 2020, NCEP will explore the age-old utility question of “who pays?” with a new twist from grid modernization: “how?” The modern grid will allow for the exchange of more granular information on electricity use and supply across the distribution and transmission systems. State electricity policy decision-makers will explore:

- What is a state’s role in maintaining a well-managed, efficient electricity system, now with rapidly changing requirements and many more participants?
- How is value acknowledged and compensated among sellers, operators, and buyers? What risks are shared with customers?
- How can modern cost-benefit analysis, valuation approaches, and cost recovery plans be used to compare and optimize between bulk power system solutions and distribution system solutions?
- What capabilities exist and are needed for potential distribution-system level markets, and TSO & DSO coordination?

### *Session concepts include:*

- Operational considerations for distribution-level markets
- Exploring optimization through benefit-cost analysis
- A future with customer-level markets
- Intersections of regional markets and state policies

### *Background on Multi-Year Theme: T&D Interfaces*

At the 2018 Annual Meeting and Workshop, NCEP gathered state decision-makers and stakeholders to discuss the state of interfaces between distribution and transmission systems in light of increasing installation of distributed energy resources. In 2019, NCEP further explored this topic by focusing on transmission, distribution, and customer (TDC) system operational needs and their influence on planning and markets. The [NCEP T&D Resource Catalog](#) documents examples and resources from both workshops to support state electricity system decision-makers in learning from experts and one another. The 2020 workshop will expand these discussions and resources with a focus on markets. See [www.electricitypolicy.org](http://www.electricitypolicy.org) for previous workshop materials.

### *Multi-Year Objectives*

- Discuss state, utility, RTO, and DER experiences coordinating planning, operations, and markets across TDC interfaces of the electricity system.
- Examine ideas around the needs of a coordinated system and how states play a role in developing a future-proofed system.
- Hear insights and lessons learned from experts, state regulators, energy directors, utility managers, technologists, legislators, consumer advocates, and other stakeholders.

NCEP thanks the U.S. Department of Energy for ongoing support. Please contact [kworthington@naurc.org](mailto:kworthington@naurc.org).  
[Subscribe to Listserv for Agenda and Registration Updates.](#)

## Day 1 (December 7, 2020)

11:30 AM	<b>Virtual Meeting Room Open</b>
12:00 PM	<b>Welcome to the NCEP Annual Meeting 2019</b> <ul style="list-style-type: none"><li>• Led by the Honorable Paul Kjellander, President of NCEP and President at the Idaho Public Utilities Commission (PUC)</li><li>• Facilitated by Danielle Sass Byrnett and Kerry Worthington, NARUC</li></ul>
12:15 PM	<b>2nd Jan Brinch Award for Collaboration in Public Service</b> <p>NCEP initiated a new award in memory of Jeannette “Jan” Brinch, who passed away in 2018 and energetically facilitated the National Council on Electricity Policy (NCEP) from 2014 to 2018. Jan’s career was marked by progress on energy and environmental issues from a wide range of public service positions. One of the hallmarks of her success in each of these roles was her desire to collaborate with others with diverse perspectives, positions, and organizations. This award honors other public servants who similarly view their positions as opportunities to bring people together to accomplish public interest goals in the electricity sector.</p>
12:45 PM	<b>Operational Considerations for Distribution-Level Markets</b> <p>What capabilities exist and are needed for potential distribution-system level markets, and TSO &amp; DSO coordination?</p> <p>This foundational session will provide an update on the latest thinking on operator architectural frameworks and key operational considerations for policymakers. This session will discuss grid to grid communications, operational functions, and aid in understanding how markets work behind the scenes.</p> <p>For introductory material on T&amp;D operational coordination and considerations for states, please review materials from the 2019 Annual Meeting on the <a href="#">NCEP past events page</a>.</p> <p><b>Moderator:</b> Hon. Sarah Hofmann, Vermont Public Utility Commission</p> <p><b>Panelists:</b> Paul De Martini, Newport Consulting Anne Hoskins, Sunrun</p>
1:45 PM	<b>Break</b>

<p><b>2:00 PM</b></p>	<p><b>Introduction to Compensation and Market Mechanisms</b>  How is value acknowledged and compensated among sellers, operators, and buyers? What risks are shared with customers?</p> <p>“Who pays?” is a constant question that surrounds decision making in the public interest and has caused tension at interstate levels. What have been some landmark movements toward where we are today? What do some of those decisions tell us about the path that we are currently on and directions that lay ahead? With actions of the states today, where are they striving to go? How do we know what is working?</p> <p><b>Moderator:</b>  Michael Dowd, Virginia Department of Environmental Quality</p> <p><b>Panelists:</b>  Ann McCabe, Regulatory Assistance Project  Burcin Unel, NYU Institute for Policy Integrity</p>
<p><b>3:00 PM</b></p>	<p><b>Break</b></p>
<p><b>3:15 PM</b></p>	<p><b>Exploring Optimization through Benefit-Cost Analysis</b>  How can modern cost-benefit analysis, valuation approaches, and cost recovery plans be used to compare and optimize between bulk power system solutions and distribution system solutions?</p> <p>This session will explore the latest trends in comparing and optimizing between the bulk power system and distributed system solutions. For a utility regulator, a benefit-cost analysis (BCA) is essential information before investing in any solution. BCAs were developed before DERs were impacting the system. This session will explore the status of BCAs and new developments for consideration.</p> <p><b>Moderator:</b>  Tanya McCloskey, Pennsylvania Office of the Consumer Advocate</p> <p><b>Panelists:</b>  Hon. Abigail Anthony, Rhode Island Public Utility Commission  Julie Michals, E4thefuture</p>
<p><b>4:30 PM</b></p>	<p><b>Day 1 Discussion</b>  All attendees will be led through an interactive discussion session. Attendees will have an opportunity to share their experiences, other industry / state / RTO examples, available resources, and identify “known unknowns” (research needs).</p> <p><i>The discussion will provide resources that NCEP will add to the NCEP T&amp;D Resource Catalog. Non-attributable research needs will be summarized and posted for national labs, industry, research institutions, and NGOs to better understand the needs of states. The Resource Catalog will be updated as resources become available that address needs.</i></p>
<p><b>5:00 PM</b></p>	<p><b>Adjourn</b>  <i>Day 1 Evaluations</i></p>

## Day 2 (December 8, 2020)

11:30 AM	<b>Virtual Meeting Room Open</b>
12:00 PM	<b>Welcome to Day 2</b> <ul style="list-style-type: none"><li>• Led by The Honorable Paul Kjellander, President of NCEP and President at the Idaho PUC</li><li>• Facilitated by Danielle Sass Byrnett and Kerry Worthington, NARUC</li></ul>
12:15 PM	<b>Fireside Chat: Evolving Compensation and Market Mechanisms</b> <p>With the distribution system adopting contemporary technologies, what are the considerations for modern compensation and market mechanisms? What is the vision for markets and financial transactions? How does policy impact technology development and markets?</p> <p><b>Moderator:</b> Hon. Paul Kjellander, Idaho Public Utility commission</p> <p><b>Panelists:</b> Julia Frayer, London Economics International Mark Paterson, Strategen</p>
1:15 PM	<b>Break</b>
1:30 PM	<b>A Future with Customer Level Markets</b> <p>The modern grid will allow for the exchange of more granular information on electricity use and supply across the distribution and transmission systems. What approaches are in place and on the horizon for leveraging customer resources to support grid needs?</p> <p><b>Moderator:</b> John Chatburn, Idaho Energy Office</p> <p><b>Panelists:</b> Mark Knight, Burns and McDonnell</p>
2:30 PM	<b>Break</b>
2:45 PM	<b>Intersections of Regional Markets and State Policies</b> <p>Discuss state and RTO experiences leveraging and compensating distributed energy resources and coordinating interfaces of the electricity system. This session will examine ideas around the needs of a coordinated system and how states and RTOs play a role in developing a future-proofed system. Topics will include interconnection, recent FERC orders, and state policy goals.</p> <p><b>Moderator:</b> Hon. Eric Koch, Indiana State Senator</p> <p><b>Panelists:</b> Marcus Hawkins, Organization of MISO States Asim Haque, PJM Hon. Katie Dykes, Connecticut Department of Energy and Environmental Protection</p>

<p><b>4:00 PM</b></p>	<p><b>Day 2 Discussion</b>  All attendees will be led through an interactive discussion session. Attendees will have an opportunity to share their experiences, other industry / state / RTO examples, available resources, and identify “known unknowns” (research needs).</p> <p><i>The discussion will provide resources that NCEP will add to the NCEP T&amp;D Resource Catalog. Non-attributable research needs will be summarized and posted for national labs, industry, research institutions, and NGOs to better understand the needs of states. The Resource Catalog will be updated as resources become available that address needs.</i></p>
<p><b>4:30 PM</b></p>	<p><b>Adjourn</b>  <i>Day 2 Evaluations</i></p>
<p><b>Day 3 (December 9, 2020)</b></p>	
<p><b>1:00 PM ET</b></p>	<p><b>Virtual Meeting Room Open</b></p>
<p><b>1:30 PM</b></p>	<p><b>Facilitated Workshop on Balancing Grid Alternatives</b>  Throughout the past two days, NCEP members and stakeholders have heard about their roles in maintaining a safe, reliable, and affordable electricity system while grid planning, operations, and markets are changing. This facilitated workshop will leverage example scenarios to demonstrate the tradeoffs that decision makers consider when considering investments and alternatives.</p> <p>Facilitated by:</p> <ul style="list-style-type: none"> <li>- Chris Villarreal, Plugged In Strategies</li> <li>- Kerry Worthington, NARUC</li> </ul>
<p><b>4:30 PM</b></p>	<p><b>Adjourn</b>  <i>Day 3 Evaluations</i></p>