

Williams/Underwood

RESOLUTION NO. 6697

WHEREAS, the Federal Energy Regulatory Commission (FERC) issued Order No. 719 (2008) and Order No. 719-A (2009), which established requirements for Regional Transmission Organizations and Independent System Operators to accept bids from demand response resources and their aggregators within the wholesale electricity market; and

WHEREAS, FERC Orders 719 and 719-A authorize a "relevant electric retail regulatory authority" for utilities that exceed 4 million megawatt-hours to prohibit the participation of demand response resources in distributed energy resource aggregation by third party aggregators and aggregators of retail customers, generally referred to as an "Opt-Out"; and

WHEREAS, the Board of Directors of the Omaha Public Power District is the relevant electric retail regulatory authority for the Omaha Public Power District; and

WHEREAS, the District exceeds the megawatt-hour threshold set forth in FERC Orders 719 and 719-A; and

WHEREAS, an Opt-Out under FERC Orders 719 and 719-A does not preclude OPPD from offering demand response services to its customers.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District has considered FERC Orders 719 and 719-A, and the recommendations of Management, and the Board elects to exercise the opt-out provision of those Orders that prohibits third party aggregators (TPA) and aggregators of retail customers (ARC) from offering retail customer demand response resources for bidding into the Southwest Power Pool or other regional transmission organizations and independent system operators markets, and Management is authorized and directed to take all actions necessary to implement this opt-out action.



Action Item

March 18, 2025

<u>ITEM</u>

FERC Order 719 Demand Response Opt-Out

PURPOSE

To Opt-Out of certain requirements under FERC Order 719 that made reforms to wholesale power markets by addressing the role of demand response in the markets.

FACTS

- a. FERC issued Order 719 in 2008 to adopt requirements for each Regional Transmission Organization (RTO) or Independent System Operator (ISO) to accept bids from demand response resources and their aggregators within their respective markets on a comparable basis to other resources.
- b. The purpose of the requirements is to identify and eliminate barriers to participation of demand response resources in organized power markets, including the Southwest Power Pool (SPP).
- c. Large utilities, like OPPD, whose electric output exceeds 4 million MWh on a yearly basis, are required to allow demand response participation. Large utilities are granted the ability to unilaterally opt-out of the requirements if approved by its Relevant Electric Retail Regulatory Authority (RERRA). For the purposes of OPPD, its RERRA is the OPPD Board of Directors.
- d. Opting-out of FERC Order 719's demand response requirements does not preclude OPPD from continuing to offer demand response programs to its customers.

ACTION

Board of Directors vote and approval of opting-out of the demand response requirements under FERC Order 719.

RECOMMENDED:

Bradley Underwood

Bradley R. Underwood

Vice President – Systems Transformation

APPROVED FOR BOARD CONSIDERATION:

Signed by:

L. Jawier Fernandez

Decomposition

Accessed by:

L. Jawier Fernandez

President and Chief Executive Officer

BRU:rs

Attachment: Resolution