Incremental Capacity Auction (ICA) – *Technical Session for LDCs*

Webinar: August 29, 2018

Date Submitted: *2018/09/21*	**Feedback provided by:** Company Name: Hydro Ottawa Ltd. Contact Name: Phone: Email:

The IESO held a technical webinar for Local Distribution Companies on the Incremental Capacity Auction on August 29, 2018.

In order to maximize the effectiveness of this stakeholder engagement process, the IESO requests that stakeholders use the template below to provide feedback on content presented as follows:

- Provide responses to the questions posed
- For options presented, indicate your preference along with applicable rationale/supporting arguments (reference slide numbers where applicable)
- Identify any aspects that you believe require further elaboration or discussion

Please provide feedback by **September 21, 2018** to **engagement@ieso.ca.** Feedback received will be summarized and will help inform further discussions at future stakeholder engagement meetings.

Topic	Questions	Stakeholder Feedback
Deliverability *Slides 7-11*	Does the CIA, or any other practice, ensure that the full capacity of a distribution connected resource can be injected at any time? *If no*, please explain the circumstances when the full capacity of a distribution connected resource cannot be injected, and how this is managed.	The CIA will stipulate conditions where there may be restrictions on the capacity that can be generated. Typically, where restrictions are identified there are also plans identified to alleviate or remove the restrictions. An example could be reverse flow restrictions and minimum load levels. Note that the CIA does not detail any costs associated with the mitigations.
Connection Assessments for New Resources *Slides 13-15*	Does your LDC support the IESO's proposal that new distribution connected resources apply for a CIA only after they clear the auction? *If no*, please explain and provide alternative suggestions.	No. Seeing as the customer will require detail from the LDC in advance of applying to the IESO, it would be in the customer's best interest to have a full understanding of the requirements and costs for connection to ensure a viable project. If the CIA is conducted after the fact, and if the nature of the CIA process and its potential outcomes are not clearly communicated to the customer upfront, it may put the LDC in a position in which it is viewed as negatively affecting the overall project business case or timelines. If the IESO moves forward with its proposal, the full costs (and risks) associated with completing a CIA and an Offer to Connect (OTC) should be outlined in advance. On the flip side, it should be noted that there are also challenges associated with completing the CIA process too early. Hydro Ottawa typically only allows a CIA to be valid for a period of one year due to potential changes to the system (new connections or re-configuration) and an OTC to only be valid for 90 days (until payment received). There may have to be new

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		processes developed to allow and track the connection during the 3.5 year forward period before the commitment period begins.
	What concerns does your LDC have about new or modified distribution connections triggered by the ICA?	None at this time, from a technical prespective, as it seems the types of connections would remain consistent with what we are seeing from our customers. The only concern would be in developing new processes to track proposals and CIAs over a potentially longer timeframe than what we typically see today.
	What level of coordination should occur between the ICA and LDC connection processes for new suppliers? Please provide suggestions or examples of a method of coordination that you think could work well.	There should be a mechanism where the need of the distribution system / local pocket is taken into consideration when awarding contracts. There is potential for the solutions to be less economically viable if the connections require substantial distribution/substation work to allow for connection and/or the full capacity to be realized at the transmission level.
	What connection information will LDCs be able to provide to prospective resources in advance of participating in the ICA so they can understand potential risks and costs associated with developing their project?	If the full CIA is completed, they will understand all requirements for connection. If an OTC is issued they will also understand the cost for the connection. With the CIA and OTC, they will know the following: the distribution feeder; the HVDS to which they will be connected; and if there are any known restrictions at the system level – reverse flow, thermal, loading, etc. The CIA assessment does not involve a site visit or provide a cost estimate for the project. If significant

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		investment is required to complete the project, it might not be financially feasible for the customer. Estimates and site visits are typically done before the OTC is drafted.
	How much time is typically required between initiating a CIA and connecting a new resource?	It varies by project. >=500KW : 1 to 3 yrs <500KW: 4 to 6 months

	What are the milestones between initiating a CIA and connecting a new resource?	• Initial Consulation
		• Formal Submission of Form B
		• CIA completion
		• Kick-off meeting (site specific condition review)
		• Offer to Connect & Payment form
		• Customer Design
		• LDC Design (Transfer Trip logic)
		• Construction (After all conditions are met)
		  o Isolation
		  o Meter Installation
		• Signing of Electrical Operating and Maintenance Agreement & Generation Connection Agreement
		• Commissioning & Energization
		• Project Close out

General Comments/Feedback: