

# DRWG Workplan Discussions

Feedback on Priority Items

---

March 6, 2017

# #1 Easy access to residential measurement data

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	Very important to residential aggregators but conversation is currently with the Government	
	Don't lose sight of this item. Should be an ongoing item that DRWG revisits regularly	

## #2 Commitment to DR Auction capacity in LTEP

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
		LTEP consultations are now closed and the LTEP will be released soon.

# #3 Reduce minimum energy market resource size

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
		A better fit potentially within the Market Renewal Project
		Minimum energy resource size in MISO is 5MW with other jurisdictions at 100 kW
		Helpful for new entrants to have a “lower bar” to participate
		Challenging to have a province wide marketing program at 10,000 homes per zone

# #4 Peaksaver transition

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
This item is important from a capacity and cost perspective. The transition of these assets and program should be discussed as a priority item with this working group		
There has been a significant investment made in the Peaksaver program		
DRWG Consensus		

# #5 Reciprocal settlement terms & intermediate dispute mechanism

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	Members discussed whether this was outside the scope of the DRWG and if this discussion item would be better served outside of the DRWG	
	Can the IESO review if there are a large number of NODs from DR participants compared to other market participants	
	Request was to consider an additional intermediate dispute mechanism – not another NOD but not going to “legal” necessarily either	

# #6 Preparation for future Incremental Capacity Auction

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	Can be considered overarching design principle for all priorities rather than a specific priority item.	
	Do not proceed in a direction that is not in line with the basic principals of the ICA	
	A priority for most tables. “Full market integration” of resources as is described in other jurisdictions should be the ultimate goal	
	Part of market renewal scope	

# #7 Allow capacity transfers within CP & between zones

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
		Across different zones requires more analysis and discussion, which most members are ok with
		It was noted that it is important for aggregators to be able to transfer capacity within commitment periods
		This flexibility will become more important to maintain operational effectiveness of aggregated contributors



# #8 Eliminate virtual zonal DR limits

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
		Need to review together with physical limits
		If capacity from Peaksaver integrates with Auction, it could impact virtual limits
		Member feedback was that in a certain zone (Northeast), the total limit was reached limiting the opportunity for other DR resources.

# #9 Longer commitment periods for some DR

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	Longer commitment periods make it easier to sign up and demonstrate value to contributors.	
	Emerging new entry technologies need longer periods to adopt “missing money problem” with new technologies	
	Be careful not to constrain the development of the auction based on the ICA	
	Do not want to create something “too different” from the ICA that would be difficult to reconcile. If longer CPs is to be discussed, we should consider making them more flexible (term)	
	Auction mechanism is maturing rapidly with different parameters and rules that may handcuff resources in a different product (ICA)	
	No issue with annual auction (with two periods) as long as predictable and sustainable	
	This was thoroughly discussed in the past (DRA SE) and with much work ahead, the DRWG may not want to commit resources to re-visit this item	

# #10 Varying DR Capacity Obligations

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	Need to be careful if this flexibility leads to monthly auction commitment periods with some months having little or no DR	
	Administration and evaluation of residential vs C&I may be difficult	
	One member suggested system doesn't need "same" resources for different times of the day and throughout the commitment period. Have them participate the same way but change the availability and penalty structure to de-rate those resources' payments fairly	
	Suggestion to link this item to #22: New Peaking DR resource	

# #11 More efficient Cont. Mngmt. data entry process

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
		Less urgent since contributors to a DR resource are rolled over across commitment periods.
		DRWG Consensus

# #12 Automated measurement data submission capability

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
		Keep an eye on this item as the market grows as this is a manual (human) process and there may be some administrative efficiency gains by allowing an automated solution

# #13 Less stringent ROI requirements

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
		Less forms are easier but less stringent systems may actually be worse for DRA resources
		Suggestion to consider a tiered approach for certain thresholds (MWs). Smaller loads = less stringent requirements as is the case in other US jurisdictions
		Feedback: LDCs rejected requests for ROIs from aggregators
		Records of SLDs are not always available and create a high cost of engagement for a load at 50kW, for example

# #14 Allow DLs as contributors in HDR resources

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	Current participants were able to find ways to work around this in current commitment period(s) so is this an urgent 2017 priority?	
	Important to consider before CBDR expires	

# #15 Automated notification for standby/activation notices

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	Process currently requires logging in and pulling reports as opposed to pull/push of notifications automatically	
	Suggestion to group 15-18 together	



# #16 Maintain standby notice

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
Standby notices allow resources to effectively manage DRA participation	Suggestion to group 15-18 together or 16-18 together	
Identify timing, criteria, duration, etc., of standby and activation notices		

# #17 Eliminate or shorten standby notice

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
Identify timing, criteria, duration, etc., of standby and activation notices	Suggestion to group 15-18 together or 16-18 together	

# #18 More flexible dispatch duration

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
Really important to demonstrate the resource is flexible and valuable to IESO	Suggestion to group 15-18 together or 16-18 together	
Consider shorter duration with respect to activation		
General consensus among DRWG		

# #19 Utilization payment

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	This could impact the auction offer price (lower)	
	Currently no incentive to curtail (energy price)	
	Energy market bid prices would drop materially with utilization payment	
	What is the reward to be activated more often under the current construct?	

# #20 Improved test dispatch structure

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
Members feel this is important and should be easy to resolve.		
Public facing documents require more clarity in the application and process of test activations		

# #21 Review effectiveness of historical 15/20 baseline

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
		Proposal to initiate a review of the current baseline and if an alternative baseline approach is available
		Operational concern for contributors who are not sure what the target is versus the baseline

# #22 Create peak DR resource for weather-sensitive loads

Priorities for the 2017 DR Auction	For further discussion & analysis in 2017	Items for future discussion
	Create program for these resources by relaxing penalties to allow loads to act “as they are supposed to” based on weather (use temperature curve as a benchmark)	
	Is this inconsistent with the ICA high level design	
	Weather sensitive loads could compete in an ICA regime by structuring the design and payment stream accordingly (de-rated)	
	Pay resources what they actually deliver and do not penalize them for not being available on days they “shouldn’t be” (with respect to weather)	
	Suggestion to link this item to #10: Varying DR Capacity Obligations	
	Can this be included in broader ICA design	