

# IESO Response to Stakeholder Feedback (from April 6 meeting)

Demand Response Working Group  
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# Stakeholder Feedback

- The IESO thanks all stakeholders that took the time and consideration to provide feedback
- Six participants submitted feedback and full IESO responses to this feedback can be found at [www.ieso.ca/DRWG](http://www.ieso.ca/DRWG)

Peaksaver  
Transition

Improved  
Utilization of  
DR

Other DR  
Considerations

# Stakeholder Feedback - *peaksaver* transition

## Technology

- Support preserving Peaksaver devices as they are an existing asset
- There should be a migration towards next generation RDR devices given advancements in thermostat technology

*The IESO is **technology neutral** on whether customers participate using the peaksaver device or another. Where possible, peaksaver and non-peaksaver devices could be aggregated into a single residential DR resource.*

## Offer submissions

- To support participation of Peaksaver resources, LDC's should be able to use non-peaksaver and peaksaver resources in the same bid

*The IESO agrees that participants should be able to combine residential non-peaksaver and peaksaver resources into a virtual residential HDR resource. To make use of peaksaver devices, LDCs will need to ensure they have customer consent.*

# Stakeholder Feedback - *peaksaver* transition

- LDC's should be able to submit auction offers for *peaksaver* themselves, or through a third party

*LDCs can act as aggregators of existing peaksaver devices provided that, like any other aggregator, they have consent from the homeowner to participate in the DR Auction through the LDC and, if applicable, consent for further sharing of participation information and meter data with other partners / 3<sup>rd</sup> parties, and the IESO.*

# Stakeholder Feedback - *peaksaver* transition

## Competitive concerns

- Concern that the administrators of the program have a competitive advantage. Please make available anonymized program data by zone and LDC, including marketing information used for *peaksaver*

*Once the peaksaver program expires, LDCs and program administrators will not have any continuing right to dispatch peaksaver devices. Individual homeowners should have the option to enroll with their existing LDC or another party.*

*Customer privacy prevents the IESO or LDC from sharing individual homeowner participation information with market participants or third parties without the homeowner's consent. Anonymized data on participation and performance by zone and LDC is included in the most recent evaluation report on the program published on the IESO website.*

# Stakeholder Feedback - Improved Utilization of DR

- *Multiple stakeholders provided feedback in response to the April 6<sup>th</sup> presentation on the standby and activation criteria for hourly DR resources.*
- *The IESO thanks stakeholders for their feedback on the 2017 work plan item “**Improved Utilization of DR**”. We continue to explore options that could enhance the economic dispatch of Hourly DR resources at this meeting and will present a proposed approach at the May 30<sup>th</sup> DRWG in-person meeting.*

# Stakeholder Feedback - Improved Utilization of DR

## Standby notice

- *Not in support of eliminating the standby notice as this may impede current or future DR resources from participating*
- *Concerns around removing the standby notice and how this may lead to reducing a resources ability to provide the full amount of contracted DR*
- *The standby notice isn't as much of a concern to aggregators of residential customers that are enabled with connected devices or energy management systems. They are able to respond relatively quickly and with little advanced notice*

# Stakeholder Feedback - Improved Utilization of DR

## Activation Notice Window

- *We are willing to reduce the activation notice time from the current 2.5 hours to 2 hours if it demonstrates value for the system*
- *Shortening the activation window would cause operational concerns for some facilities. This would create the potential for a market rule violation on the embedded generator for units requiring the 2.5 hour window to change the quantity of the offer*



# Stakeholder Feedback - Improved Utilization of DR

## Duration of Activation

- *Support for reducing the 4 hour activation duration but resources should be capable of achieving longer activations if required*
- *Recommend that the duration of activation be changed to “up-to-four hours”*
- *Reducing the duration is an important factor in being able to include a wider range of participants, especially residential customer load resource aggregations*

# Stakeholder Feedback – Other considerations

Some participants provided feedback on items that are either on the agenda for future meetings or not a part of the 2017 work plan. They are presented here for information and will be discussed at future meetings or included in a future work plan.

## Residential DR

- The current minimum of 350 RDR participants per aggregated resource is too large and adds significant cost for residential load aggregations
- Alternative baseline methodologies should be used to allow smaller aggregations to more easily meet their minimum load response threshold

*Exploring alternative baseline approaches is not part of the 2017 DRWG work plan. These items can be explored further in a future work plan if DRWG members feel they continue to be a priority.*

# Stakeholder Feedback – Other considerations

## Utilization Payment

- The IESO should add a Utilization payment to support resources that can activate at lower prices

*A discussion on utilization payments for DR activations is a part of the 2017 DRWG work plan and will be discussed in further detail at this meeting and throughout the course of 2017.*

## Brant Pilot

- Concerns around the short term nature of the non-wires pilot and how a longer term scope (1-5 years) would enable more potential solutions

*This feedback has been passed along to the Brant Pilot project team.*

## ICA consideration

- The DRWG should ensure that the rules for HDR resources are in line with the Incremental Capacity Auction being developed through Market Renewal

*The IESO agrees that alignment with the ICA should guide our work in the DRWG with respect to DR rules and obligations.*