

December 8th, 2017

IESO Engagement
Submitted via email
engagement@ieso.ca

Re: Demand Response Working Group – November 15th Meeting

EnerNOC, an Enel Group Company, is a trusted partner helping enterprises develop, execute, and refine customized energy management strategies to reduce costs, manage risk, and maximize the value of emerging energy technologies. EnerNOC is the global leader in demand-side flexibility services, providing large energy users access to more demand response and demand management programs worldwide than any other provider. EnerNOC is pleased to provide comments in response to the IESO Demand Response Working Group meeting of November 15th, 2017.

Utilization of the HDR Resource

EnerNOC supports the inclusion of the Hourly Demand Response (HDR) resource on the Emergency Operating State Control Actions (EOSCA) list. EnerNOC has long supported ensuring that the HDR resource is a valuable resource for the IESO and the Ontario system overall. By including EnerNOC on the EOSCA list, the HDR resource will be a valuable tool for the system operator and will continue consistency with the treatment of the soon to be legacy Capacity Based DR (CBDR) resources and the dispatchable loads, as well as the generation resources. This makes sense as Ontario moves towards having all resources competing in an Incremental Capacity Auction (ICA) to meet the province's resource adequacy needs.

EnerNOC continues to support the reduction of activation duration from the fixed four-hour block activation to one up-to-four dispatch based on system needs.

Standby notices are not a unique feature for Ontario. Other markets, including NYISO, offer standby notices with longer notice than the current HDR resource standby notice. EnerNOC recognizes that in the Ontario context eliminating the standby notice increases the potential for the HDR resource to be dispatched to meet system needs. If a decision is made by the IESO to eliminate the mandatory standby notice, the market rule should change to ensure that the a notice is sent by 7:00 am if the IESO is in a position with the correct information that an activation event has the likelihood of occurring.

EnerNOC would like to understand the how the IESO would react differently with 45 minutes versus 2.5 hours lead time. The IESO should share information on how the HDR resource would have been dispatched differently if there was only a 45 minute lead time (assuming this is accompanied by the reduction of the 4 hour block).

If the IESO does decide to make a change to the dispatch of HDR resources than EnerNOC recommends that a change should occur to the elimination of the standby notice or the decrease of the 2.5 hour lead time. Or again, the IESO should provide information on how the resource would have been dispatched with the two proposed changes – elimination of the mandatory dispatch notice by 7:00 am and the reduction of the approximately 2.5 hour activation notice lead time. The IESO should also provide for the capability for resources that cannot respond in less than 2.5 hr to maintain their participation in HDR. Currently, PJM accommodates a 60 minute and 120 minute lead times for resources that make a waiver to the system operator.

2018 DR Work Plan

EnerNOC supports the goals proposed by the IESO staff for the 2018 Work Plan, which consist of:

1. Develop DR to ensure it can compete with traditional sources of supply
2. Alignment with Market Renewal

EnerNOC, as noted above, has long advocated for the HDR resource to be a valuable resource for the IESO during the transition from the Demand Response Auction to the ICA, and aligning the procurement of the HDR with Market Renewal is a good idea.

EnerNOC also supports the continuation of the evaluation criteria that was agreed upon with the DRWG members at the January 31st. 2017.

For the following items that have been identified in the DR Work Plan proposed by the IESO, EnerNOC supports keeping them on the priority list for 2018:

- Dispatchable loads as contributors to HDR resources
- Record of installation review

At this time, with the Market Renewal initiative ongoing, EnerNOC does not think it makes sense to pursue the following items:

- Longer Commitment Periods
- Varying DR Capacity Obligations/New Peak Resources

Neither of these items have been decided by the ICA stream of the Market Renewal initiative. Until the ICA determines the commitment period and the obligation, it seems premature to pursue changes to the HDR market rules for moving to longer commitment period or varying DR capacity obligations. Although they may be included in the eventual ICA, it may not make sense to pursue changes to the DRA and the HDR at this time. Discussion on these two topics should take place in the ICA consultation with other the other resource stakeholders.

As for new items to be included in the ICA, EnerNOC will pursue the following the priorities:

- Review of the audit process for meter data
- Meter data requirement submission

Having now been involved in a meter data audit and providing meter data to the IESO for the past DRA commitment periods, EnerNOC has recommendations for how the audits should be conducted and for changes to the meter data requirements. EnerNOC believes that the recommendations that will be brought forward to the January DRWG meeting will ensure that the IESO has the correct information to determine whether or not a resource is meeting its capacity supply obligations, while maintaining a suitable and fair process for the providers of the meter data.

EnerNOC looks forward to the discussion at the next DRWG on the priorities for 2018. If the IESO has any follow up questions, please reach out.

Yours truly,



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EnerNOC