

# Demand Response Working Group – *Feedback Form*

Meeting Date: November 15, 2018

<p><b>Date Submitted:</b> <i>2018/12/07</i></p>	<p><b><u>Feedback provided by (optional):</u></b>                  Company Name: <u>NRGCS</u>                  Contact Name: <u>Julia Popova</u>                  Phone: _____                  Email: _____</p>
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Following the November 15 meeting of the Demand Response Working Group (DRWG), the Independent Electricity System Operator (IESO) is seeking feedback from participants on questions posed during the presentation.

The presentation can be accessed from the DRWG engagement [webpage](#).

Please provide feedback by **December 7, 2018** to [engagement@ieso.ca](mailto:engagement@ieso.ca). To promote transparency, this feedback will be posted on the DRWG engagement webpage unless otherwise requested by the sender. Any feedback on specific ICA design considerations should be made directly through the ICA engagement, rather than through this feedback mechanism.

Section	Question/Topic	Stakeholder Feedback
<p><b>Operations: DR Activation Times</b></p>	<p>Recommendation: update to DR activation timeline - Approach #1 (Activation notice will be issued approximately 2 hours and 30 minutes but at least 2 hours before the start of the first dispatch hour)</p>	<p>NRGCS supports this change and believes it improves HDR utilization.</p>

<p><b>Metering: DR Registration Updates</b></p>	<p>Proposed Changes to Contributor Management Process:</p> <ul style="list-style-type: none"> <li>- Record of Installation</li> <li>- LDC statement submissions</li> <li>- Single Line Diagrams</li> <li>- Identification of Records</li> <li>- Record Retention Period Requirement</li> </ul>	<p>NRGCS supports the proposals to remove the requirement to submit the ROI and to require DRMPs to submit Single Line Diagram <b>only</b> if Demand Response is provided via Behind Meter Generation (BMG). This will streamline and simplify registration process</p>
<p><b>Metering: Additional Means of Collecting Data</b></p>	<p>Reasons why data collection via KYZ pulses should be allowed.</p>	<p>KYZ pulses would allow DRMPs another option for meter data access while staying within the required <math>\pm 1\%</math> threshold.</p>
<p><b>2019 DR Workplan</b></p>	<p>What is required, and what would be most efficient, to transition from the DR Auction to the Incremental Capacity Auction?</p> <p>What does the DR Community need?</p>	<p>N/A</p>
<p><b>2019 DR Workplan: Website changes</b></p>	<p>What changes to the DR webpage(s) would help demonstrate the value of DR and support communication about this resource to the broader sector?</p>	<p>N/A</p>
<p><b>DR in the ICA</b></p>	<p>Of the items presented regarding ICA design features that may be most impactful for DR resources, which ones do you believe should be a top priority for discussion when establishing the 2019 DRWG work plan</p> <ul style="list-style-type: none"> <li>•Resource Eligibility</li> <li>•Qualified Capacity</li> </ul>	<p>The DR class average, based on actual test and activation data, will lag at least 4 years. While it might be easy to administer it certainly would not reflect true capacity of <b>new</b> DR resources. Additionally, it would make it very difficult from a planning perspective to capture the effect of demand response on the peak load forecast. NRGCS looks forward to working with the IESO developing optimal and elegant solution on how to estimate the capacity of new demand response resources.</p> <p>NRGCS is concerned that the proposal to develop performance penalties and availability (during predefined time windows) penalties for DR could create an</p>

	<ul style="list-style-type: none"> <li>•Forward Period Obligation</li> <li>•Performance Assessment</li> <li>•Capacity Payments</li> </ul>	<p>uneven playing field for different types of the resources since traditional generators are not currently assessed non-performance penalties.</p> <p>Competitive markets should compensate resources for the <b>value</b> they actually deliver. Concerns about how resources would perform during reliability events because of their limited duration nature could be properly reflected in penalties for non-performance rather than via restriction on qualified capacity based on unified MCHD number. For instance, resources that provide load curtailment would be especially harmed by this proposal since diurnal pattern of baseload could vary significantly. Therefore, restricting DR to one (smaller) number of qualified capacity during longer periods of time would reduce system flexibility and thus decrease reliability. In addition this proposal has the potential to increase customer costs associated with procurement of capacity to meet the system’s peak load.</p>
<p><b>Accounting for Loads Participating in the ICI and as DR Resources in the ICA</b></p>	<p>Comments on potential approaches and suggestion for other approaches to address the reliability risk.</p>	<p>It was NRGCS’ general understanding that ICI and DRA were already mutually exclusive and that double dipping of MWs was not permitted. The reductions that come from ICI and DRA are separate since customers’ running load is already reflective of what they’ve been reducing for ICI program. For example, a 60 MW running load customer is signed up to reduce 10 MWs in DRA based on their estimated baseline of 40 MWs which accounts for peak shaving days that the customer participated in. So said another way, as the market rules stand today, if a customer participates in ICI, it would be unlikely they could participate in DRA, since they would have no baseline.</p> <p>Additionally, NRGCS is interested in developing rules that will allow participation in both Operating Reserves and DRA, similar to how PJM allows a customer to participate in both Economic DR and EDRP. Right now there are a lot of MWs that cannot participate in DRA because they chose to participate in Operating Reserves.</p>

<b>Future Meetings</b>	Proposed first 2019 meeting date (Feb 12) and meeting frequency (8-10 week cycles).	Meeting every other month would give reasonable time for response and feedback, however, if there is a need for more thorough stakeholders discussions, IESO should reserve the right to schedule meetings more frequently.

**General Comments/Feedback:**  
N/A