Demand Response Working Group Feedback Form

Meeting Date: 2019-07-29 **Date Submitted:** 2019-08-06

Feedback Provided By:

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Following the June 29, 2019 meeting of the Demand Response Working Group (DRWG), the Independent Electricity System Operator (IESO) is seeking feedback from participants on the following items discussed during the meeting. The presentation can be accessed from the <u>DRWG</u> webpage.

Please submit feedback to engagement@ieso.ca by August 6, 2019. To promote transparency, this feedback will be posted on the engagement webpage unless otherwise requested by the sender.



Stakeholder Feedback Form

Table 1: HDR Out-of-Market Activation Payments

Question/Topic

Proposal to provide payments to compensate HDR when activated outof-market for: Capacity-based test activations and Emergency Operating State Control Action activations

Stakeholder Feedback

Rodan supports the proposed (IESO) method to compensate HDR resources when they are activated out of market for Emergency Operating State Control Action activations. Paying resources "as-bid" reflects the cost for delivery of Demand Response. Going forward, when loads receive energy payments when dispatched, the "as-bid" price may be reduced, if actual participant curtailment costs at the time are below \$2,000, and still be reflective of actual costs.

However, Rodan does not agree that the payment for test activations should be different since they both will occur out of merit and participant costs would be similar.

The IESO recognizes that the proposed \$250/MWh will probably not cover participant curtailment costs. The IESO also indicated that the basis for the \$250 was the \$200 from CBDR with inflation, and that CBDR is not a similar program. Therefore, there really is no basis for the \$250. Unlike generators who are compensated for incremental costs incurred for testing, loads will incur losses. Trying to accurately value these losses will be an extremely difficult exercise, so in lieu of this, in order to reduce the impact on the market, and loads during testing we propose that loads be paid \$250/MWh, but be permitted to schedule their own tests, within reasonable agreed upon parameters.

Table 2: General Comments/Feedback

Other Comments/Feedback

Webinar Use – Rodan appreciates the IESO's quick action in presenting these proposals to the stakeholder community. But, we believe meetings for issues like this, where discussion and dialogue should be part of the process, should be held in-person with a webinar option for those who cannot attend. The webinar does not promote group dialogue and most conversations are one-one with the commenter and the IESO. Additionally, stakeholders are not aware who else is participating.