

Demand Response Working Group (DRWG) Meeting Notes

Date held: April 6, 2017	Time held: 10:00 am – 2:30 pm	Location held: Crowne Plaza Toronto Airport
Company Name	Attendee	Attendance Status (A)tended; (R) Registered; (S)ubstitute; (TC) Teleconference; (P) Presenter
AMP Solar Group	Schaeffer, Steve	A
AMP Solar Group	Cibuku, Olta	R
City of Toronto	Cheng, Jessie	A
City of Toronto	Koff, Chaim	A
Customized Energy Solutions	Tinkler, Mark	A
Customized Energy Solutions	Pisarcik, Dave	TC
Honeywell	Roberston, Jack	A
Energate Inc.	Cochrane, Mike	A
Energy Hub	Diamond, Erika	TC
Energy Hub	Kier, Laura	TC
EnerNOC, Inc.	Griffiths, Sarah	TC
General Motors of Canada Company	Ali, Adel	TC
Good Company Associates	King, Robert	TC
Great Circle Solar Management Corp	Wharton, Karen	A
Honeywell Smart Grid Solution	White, Jeff	R
Hydro One	Bettencourt, Alex	A
Hydro One	Candea, Charlotte	TC
Hydro One	Lind, Gillian	R
Ministry of Energy	Qureshi, Musab	TC
Nest Labs	Amaral, Utilia	TC
NRG Curtailment Solutions, Inc.	Pieniazek, Marie	TC
NRG Curtailment Solutions, Inc.	Moore, Michael	TC
NRG Curtailment Solutions, Inc.	Goka, Nekabari	TC
OhmConnect	Kooiman, Brian	TC
Opower/Oracle	Lopez, Alex	TC
Regional Municipality of Durham	Torres, Jairo	A
Power Consumer	White, Adam	A
Alectra	Carr, Daniel	A
Resolute Forest Products	Degelman, Cara	TC
Rodan Energy Solutions	Goddard, Rick	A
Rodan Energy Solutions	Quassem, Farhad	A
SL Goldberg Consulting	Goldberg, Sam	TC
Tembec	Laflamme, Serge	A
Toronto Hydro-Electric Services	Marzoughi, Rei	TC
Toronto Hydro-Electric Services	Fotinakopoulos, Tom	TC

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Veridian	Wishnowski, Eryn	A
Voltalis	Cassoudebat, Olivier	TC
IESO	Bosco, Phil	A
IESO	Drake, Gordon	A
IESO	Duru, Josh	A
IESO	Golriz, Ali	A
IESO	Grbavac, Jason	A
IESO	Kamstra, Pat	A
IESO	Kwok, Jason	A
Meeting Chair: Gordon Drake, Supervisor, Market Development, IESO Facilitator: Jason Grbavac, Market Relations, IESO		
Please report any corrections, additions or deletions to: engagement@ieso.ca		

All meeting materials including DRWG member presentations are available on the DRWG IESO website at: <http://www.ieso.ca/Pages/Participate/Stakeholder-Engagement/Working-Groups/Demand-Response-Working-Group.aspx>

The following items were presented at the April 6, 2017 meeting. For any questions or changes you feel are required to any of the subjects captured below, please contact the IESO at engagement@ieso.ca.

Item 1 - [Proposed 2017 DR Work Plan](#)

Jason Kwok presented the proposed 2017 DR work plan proposal which summarized the previously received member input on the priorities they felt were significant for the DRWG to address in 2017, and beyond.

Member Questions and Comments, with the IESO's response in italics:

A member asked why the baseline priority was not included in the proposed work plan. *Updates with respect to an alternative baseline for weather-sensitive residential load were implemented in 2016 to allow for residential DR to participate in the 2017 commitment periods of the DR Auction. The DRWG reached a consensus on the priority items at the last meeting, which did not include a further review of the historical baseline at this time.*

Item 2 - [Market Rule Amendment Process](#)

Joshua Duru, IESO Market Rules, provided the DRWG with a presentation on the process of amending Market Rules which included a review of the timeline, scope and details involved in managing such change.

Member Questions and Comments, with the IESO's response in italics:

A member asked where the best place to begin a review of the rules related to the participation in the DR Auction could be found. *DRWG members were advised to review [Market Manual 12](#) as well as the DR Auction [training workbook](#) which provides an overview of the entire process from registering, participating, and rules pertaining to the DR Auction.*

Item 3 - [Peaksaver Transition](#)

Pat Kamstra presented the Peaksaver Transition slides to the DRWG which led to a very good discussion on the current details and future of these devices.

Member Questions and Comments, with the IESO's response in italics:

What is the expected response from a *peaksaver* device? *Evaluation results indicate approximately a 0.5kW response from a Peaksaver device.*

Are devices one-way or two-way? *The majority are one-way communication devices.*

Difficult to know here the devices are located exactly. *The IESO and LDCs know the location of devices and account for utility moves in and out of an address but currently do not have a way to identify device failures or replacement.*

How are devices controlled? *The dispatch operator contacts aggregators to dispatch Peaksaver resources.*

Is there variance in response per zone? *Evaluation is assessed by zone and there are differences.*

How much Peaksaver is there installed? *Approximately 160MW but expected performance of approx. 110MW.*

Is there a correction in this count for devices that are replaced by non-Peaksaver devices? *The evaluation results (110 MW) should capture any attrition from the program but it is not accounted for in the installed capacity (160 MW).*

How can Peaksaver participants opt out? *Residential participants can contact their respective LDC to opt out. This is not done on a per-event basis and is rare.*

Is it possible that that LDCs offer Peaksaver resources into auction that have already been paid for? *The DRWG is discussing the transition of Peaksaver resources to opportunities like the DR Auction.*

Are there plans to include small commercial Peaksaver resources into the DR Auction? *At this time, commercial Peaksaver devices account for a very small percentage of the installed devices and the focus is on transitioning the existing residential devices into the DR Auction.*

Is there any risk that one-way paging networks cease to be supported? *The Dispatch Coordinator responded: Some devices that relied on older paging frequency have been replaced. New devices use 900MHz which is still a supported network frequency.*

Who owns the Peaksaver device? *The title to the Peaksaver device is with the homeowner, not the IESO or the LDC.*

Item 4 - [Brant DR Pilot](#)

Ali Golriz, IESO Procurement, provided an update on the Brant DR Pilot. The IESO is committed to addressing shortcomings with the initial launch through ongoing engagement with stakeholders and improve elements of this opportunity where possible to encourage further interest ahead of the next Brant DR Pilot RFP.

Member Questions and Comments, with the IESO's response in italics:

Has the IESO identified a certain amount of capacity for the Brant DR Pilot? *Between 3 – 15MW*

Why is there a minimum 1MW to participate? *To align with existing processes and energy market tools.*

Is there a max price? *Yes, please refer to the previous [RFP](#) for those details.*

Is the Pilot opportunity for a one year period only? *Yes, the Pilot was structured as a one year opportunity for 2017 with an opportunity to issue another RFP for the summer of 2017.*

Is there an opportunity to defer an upgrade if a suitable solution is found? *Not in this case, as the transmission enhancement is proceeding, but perhaps for other projects and areas identified in regional planning.*

Why was the DRWG not utilized to promote the DR Brant Pilot initially? *The timing of the program and publishing of materials meant that while information could be provided to the working group, the activities of the RFP made significant progress in between meetings. DRWG members were made aware of other stakeholder engagement activities surrounding the Brant Pilot.*

Item 5 - [Improving the DR Dispatch Process](#)

Jason Kwok presented this item to the DRWG to solicit input and comments from members around options to explore to increase the economic dispatch of Hourly DR resources. This item was identified as one of the top priorities in the 2017 DRWG work plan.

Member Questions and Comments, with the IESO's response in italics:

Comment from member: Prior notice helps to manage resources and one member noted that there is a multi-step process at their facility to curtail. This member was opposed to eliminating the standby notice as they require that notice to make operational decisions and prepare to take action in case of activation.

Comment from member: One member suggested changing the standby notice by moving it closer to the availability window as a means of improving the use of DR Auction resources.

Comment from member: Another idea mentioned was to provide standby notices multiple times during the dispatch day as a means of improving the utilization of DR Auction resources

Comment from member: The idea of pre-cooling was raised, which generally happens in the hour immediately before activation for residential load. A standby signal is not required as there is time for pre-cooling after receiving the activation notice.

Comment from member: It was suggested that IESO should issue more standby notices if it is such a low cost option in order to provide time for contributors to prepare for a DR activation.

Comment from member: Perhaps allow activation without a standby notice, eliminating the go/no-go decision by 7am on the dispatch day.

Comment from member: Maintain the standby notice and perhaps ask for bids to be left in the energy market, if possible, even if there is no standby notice to be able to rely on that resource later in the day, if required.

Comment from member: Eliminating or reducing the standby signal would have an impact on the type of participant that could be attracted to provide DR and could potentially reduce the pool of contributors if there is less time for them to prepare and react.

Comment from member: DR resources have likely built their processes to respond to DR around the design. For example, the 7 am standby notice and the 2.5 hour activation notice. Therefore, consistency is important. However, if standby has no cost, give them notice as earlier as possible.

Comment from member: Activation with one hour in the schedule is possible for some resources, but not all. The IESO should not reduce the advance notice of activation of 2.5 hours. Reduced activation windows or different options are beneficial to participants and will increase overall interest and participation if they can choose the length of the activation through their bids.

Comment from member: Consider incentivizing participation with a premium to DR resources that participate without a standby notice (who are available and willing to offer DR after not receiving a standby signal earlier that day). There could be two products with a premium paid to those responding with shorter notice. Standby notices are not that important for residential DR in their opinion and they could be called two times per day for short periods. They are very flexible and in fact shorter duration is more beneficial for Residential DR and this could lower the cost of the product.

A member asked about automating the standby notice. *This will be discussed under the IT requirements priority item later this year.*

What if the standby criteria were related to the market price? For example, if the price in an hour is greater than \$100? *One member responded, there was no simple answer for all contributors. Standby signals should be published based on system needs and perhaps we should start with changes to the activation notice and then work backwards?*

What benefit was the 4 hour block dispatch to the system? *This activation window was translated from the original DR programs designed as far back as 2007 when there were longer durations of peak demand and different resource constraints. With changing system conditions such as abundant capacity resources above requirement and increasing need for operational flexibility from all resources, new capabilities from DR resources are required.*

Item 6 - DRWG Survey Results

Gordon Drake thanked all DRWG members who participated in the DRWG survey and provided a summary of the overall results and findings from that process.

Member Questions and Comments, with the IESO's response in italics:

No questions were reported during this segment

Next Steps

The next in-person meeting is scheduled for May 30, 2017 with a webinar that has since been confirmed for May 11, 2017.