

Comments to:  
Independent Electricity System Operator  
(IESO)

Stakeholder Engagement for Demand  
Response Working Group on  
November 30, 2016

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Submission by  
City of Toronto

## Contract Period

**Recommendation:** The City recognizes the IESO's commitment to shorter contracts and recommends that the IESO allow participants to select a contract period of 1- 3 year with summer/ winter periods.

## Length of dispatch

**Recommendation:** The City recommends that the IESO allow participants to bid capacity for 2-6 hour Demand Response dispatches. However, the resource must be capable and tested to deliver a minimum 4 hour dispatch. This nimble solution should allow the resource to operate efficiently without compromising grid stability.

## Utilization (Dispatch Payments)

**Recommendation:** The City recommends that the IESO reinstate Utilization payments for the following rational:

1. Utilization payments may support more regular activations and increased engagement as participants can bid at lower HOEP energy costs.
2. Non-payment for utilization reduces the competitiveness of a DR resource and aligns with traditional generators which are paid for energy delivery.

## Pre -Activation Notification

**Comment:** The City supports maintaining day ahead notice. Resources bid into the IESO energy market should be activated as per the market rules and include all available notifications.

## Future Procurement

**Support:** The City supports the comments made at the November 30, 2016 stakeholder meeting for "*A commitment from the IESO and governmental bodies to consider DR before embarking on new procurements.*" These comments are aligned with earlier statements detailing the value Demand Response has on reducing the grids carbon GHG factor.

## Residential Demand Response

**Recommendation #1 :** The recent stakeholder meeting on November 30, 2016 included recommendations for anonymity. The City supports anonymity for residential participants and recommends that the IESO develop a process for verifying that residential participants are enrolled with only one aggregator.

**Recommendation #2:** The City recommends that the IESO collaborate with utilities to verify operational value from the installed Peaksaver units. Installed and operational Peaksaver units may be capable of delivering capacity at a competitive price.

**Recommendation #3:** The City recommends that the IESO independently pilot the Peaksaver program with the energy market and verify the system value.