

Feedback Form

Distributed Energy Resources (DER) Market Vision and Design Project – January 25, 2023

Feedback Provided by:

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Following the January 25th public webinar on the DER Market Vision and Design Project, the Independent Electricity System Operator (IESO) is seeking feedback from participants on the DER MVP Enhanced Models.

The referenced presentation can be found on the [DER Market Vision and Design Project webpage](#).

Please provide feedback by February 15, 2023 to engagement@ieso.ca. Please use subject header: *DER Market Vision and Design Project*. To promote transparency, this feedback will be posted on the [DER Market Vision and Design Project webpage](#) unless otherwise requested by the sender.

The IESO will work to consider and incorporate comments as appropriate and post responses on the webpage.

Thank you for your contribution.

Recommendations for Enhanced Models

Topic	Feedback
<p>Are the IESO's recommendations appropriate for enhanced models? Do any recommendations risk inhibiting DER(A) participation in wholesale markets?</p>	<ol style="list-style-type: none"> 1. Can the IESO comment on whether MRP needs to be fully executed prior to triggering the development of the Enhanced? Should there be any delays and/or issues with the launch of MRP will this delay the "trigger"? Can the IESO speak to a contingency 'trigger' - for example, how can the IESO proceed in the event that MRP is delayed.
<p>Based on the recommendations, are there key options that should be prioritized for the enhanced models?</p>	<ol style="list-style-type: none"> 1. Slide 23- ESC would encourage prioritization of C&I resources - C&I Flexibility: Greatest easily accessible potential vs prioritization of electric vehicles 2. Slide 6 – Can the IESO provide clarity on what is meant by small commercial? Is this only 50 kW or less? Or does it apply to other customer commercial classes? 3. The government Directive of September 29, 2022, stipulates that the IESO, must offer residential consumers a new residential demand response program delivering peak demand reductions. Can the IESO comment on the Foundational model excluding residential participation but offering a residential DER program? What is the rationale for the distinction and is there an opportunity for early residential aggregation participation?

General Comments/Feedback

Overall, ESC is encouraged that the IESO continues to dedicate time and effort with respect to removing barriers for DERs and DER(A) participation in the IESO-Administered Market (IAM).

We are supportive of the plan that the IESO has put forward. However, we encourage the IESO to continue to ensure that there is a clear linkage between the DER MVP and the TDWG. While the DER MVP focuses on DER integration within the wholesale market, the TDWG focuses on deeper integration of DERs and coordination between the IESO and distributors. For example, DERs/DER(A)s providing services to distributors as non-wires alternatives should also be eligible “value stack” additional revenue streams from the IAM in order to drive down the cost of providing distribution services.

Further, although the DER MVP focuses on integration of DERs with the ability to provide wholesale market products and services, it does not address underlying market conditions and need for revenue predictability to support investment. The IESO has suggested that DER(A)s would be considered for eligibility within IESO’s annual capacity auctions. In order to support longer-term investments, ESC encourages that IESO to plan procurements with longer term contracts to reduce participant risk and costs. This should be considered in IESO’s upcoming Annual Acquisition Report.

We look forward to next steps of this discussion.