

Feedback Form

Distributed Energy Resources (DER) Roadmap – June 22, 2021

Feedback Provided by:

Name: Katherine Hamilton

Title: Executive Director

Organization: Advanced Energy Management Alliance

Email: [REDACTED]

Date: July 14, 2021

Following the June 22, 2021 DER Roadmap engagement meeting, the IESO is seeking feedback from participants on the DER Roadmap, stakeholder views on the DERs that are most likely to emerge in Ontario, the OEB/IESO joint engagement objectives and proposed process, and finally, on the upcoming OEB/IESO joint targeted call on Enabling Resource. The IESO will work to consider feedback and incorporate comments as appropriate and post responses on the engagement webpage.

The referenced presentation can be found under the June 22, 2021 entry on the [DER Roadmap webpage](#).

Please provide feedback by July 14 2021 to engagement@ieso.ca. Please use subject: *Feedback: DER Roadmap*. To promote transparency, this feedback, if provided in an AODA-compliant format (e.g. using this form) will be posted on the [DER Roadmap webpage](#) unless otherwise requested by the sender.

Thank you for your time.

DER Roadmap

Topic	Feedback
<p>Has the IESO identified the right focus areas to deliver on its goal for DER integration?</p>	<p>Generally, the AEMA supports the direction proposed by the IESO. However, given the upcoming projected capacity shortages in 2026 and beyond, it is important to have clear direction on timelines and identification of priority focus areas and the interrelationship with other IESO initiatives such as the Regional Review Planning Process (specifically, the South West, GTA, etc.), and integration into the wholesale market (consider aggregation of DERs, increased participation of BTM resources in the operating reserve auction with a key focus on streamlining metering requirements and so on</p> <p>It is also critical that we define roles and responsibilities relating to transmission and distribution.</p> <p>The above work should be expediated and we should not wait for the implementation of MRP in 2023.). It seems irresponsible to wait 5-10 years for implementation of any changes that will integrate DERs.</p>
<p>Will the near-term initiatives enable the IESO to make timely progress on its goal and focus areas?</p>	<p>As mentioned above, there are multiple initiatives underway and it is important that IESO thread the needle and provide clear timelines for decision making at the earliest opportunity.</p>
<p>Are stakeholders supportive of the approach detailed in the draft DER Roadmap Engagement Plan?</p>	<p>Yes, AEMA members are supportive. However, we recommend that IESO identify actions/activities that could be completed prior to 2023. Additional work can continue post 2023. DER's can play a key role in ensuring system reliability in a price sensitive manner.</p>

DER Roadmap – Stakeholder Views

The IESO is seeking stakeholders who wish to present their views on the DERs that are most likely to emerge in Ontario and how they should be incorporated into wholesale markets. IESO will seek to identify a number of stakeholders to present their views at the September engagement days and will work with stakeholders to coordinate content. Presentations and subsequent stakeholder discussions will provide insight for the DER Market Vision Project.

Interested stakeholders are asked to briefly identify their views below. If stakeholders prefer not to have these initial views on DERs published as part of this broader feedback submission, please email your comments separately to engagement@ieso.ca.

Topic	Feedback
Views on the DERs that are most likely to emerge in Ontario and how they should be incorporated into wholesale markets	<p>Multiple resources currently exist within the Ontario market. For example, expiring micro FIT and FIT contracts, BTM resources (which currently participate in demand response and the ICI, but can also inject into the grid when needed). These assets could be optimized and leveraged. Rules regarding aggregation, enhancing revenue streams, eliminating barriers, etc. should be prioritized. Doing so will ensure system reliability while considering end user affordability.</p> <p>It should also be noted that EVs are expected grow in number. These batteries can be used as part of the building automation systems to manage energy and when aggregated can provide system benefits.</p> <p>The use of third party DERMS providers to support is another key trend that will allow the residential customer to participate in auctions (see the York Region Pilot). With the use of devices such as smart thermostats, the residential customer can actively engage. This continues to be an untapped market segment full of opportunity.</p>

OEB/IESO Joint Engagement on DER Integration

Topic	Feedback
Do the proposed OEB/IESO Joint Engagement objectives meet stakeholder needs?	Yes, AEMA is supportive of this joint engagement. For DER integration to materialize in Ontario, it will require support from both the IESO and the OEB.
Will the proposed process for OEB/IESO Joint Engagement enable us to deliver on the proposed objectives?	We believe this is one of the steps needed to ensure DER integration occurs in Ontario. However, it is important that the IESO and OEB continue to engage the stakeholder community in a transparent manner as criteria are developed and implemented.
What are the cross-cutting issues relevant to the OEB/IESO Joint Engagement that there should be focus on/awareness of and why do they matter?	<p>The AEMA recommends that the following engagements be considered as design of the pilots occur to ensure consistency in messaging, minimize confusion and provide the market with clear signals:</p> <ol style="list-style-type: none"> 1) Implementation of MRP 2) C&I rate design 3) Planning and procurement process for NWAs 4) Resource Adequacy Framework 5) Enabling Resources Engagement 6) Framework for Energy Innovation 7) Connection Reform and TIR update <p>Although AEMA recognizes that the responsibility of the Affiliate Relationships Code lies solely with the OEB, it is important that a review of the Affiliate Relationship Code be undertaken to assess whether the regulatory requirements for affiliate relationships “maintain an appropriate balance between protecting the interest of consumers, efficiency in regulation and the role of utilities in an evolving energy sector.” It is important that this review take place in tandem with the other work streams that are both ongoing/current for the IESO and</p>

Topic	Feedback
	the OEB (Connections WG and Regional Planning Review) or are recommended (Responding to DER framework – defining NWS, screening and evaluation, compensation framework and integration with markets).

OEB Innovation Sandbox and IESO Grid Innovation Fund Joint Targeted Call on Enabling Resources

Topic	Feedback
Given the problem statement, recommendations, and opportunity presented today, what barriers to DER integration are best suited to be addressed through the joint call?	Barriers such as metering rules could be addressed through this process or outside of it. It is also important to look at DER aggregation and their ability to provide capacity, energy and ancillary services.
Which kinds of projects designed to address these barriers would be expected to benefit from regulatory support available through the OEB Innovation Sandbox?	Likely the most beneficial outcome of the sandbox approach is a look at the LDC and third party relationship in the DER integration process. Clear rules regarding the business models and roles and responsibilities are critical.

General Comments/Feedback

While the AEMA is supportive of this initiative, it is important that the IESO and OEB identify immediate actions and execute on those actions prior to 2023 in order that DER's can participate in addressing the shortfalls projected for 2025/2026 and to address needs in regions throughout Ontario. AEMA is a North American trade association whose members include distributed energy resources ("DER"), demand response ("DR"), and advanced energy management service and technology providers, as well as some of Ontario's largest consumer resources, who support advanced energy management solutions due to the electricity cost savings those solutions provide to their businesses. These comments represent the views of AEMA as an organization, not any individual company.

