

Feedback Form

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

Feedback Provided by:

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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>We believe that the areas of focus that the IESO has identified are appropriate, but we don't believe they are exhaustive.</p> <p>We encourage the IESO to consider that local distribution companies (LDCs) will likely evolve concurrent with the proliferation of DERs, i.e., becoming distribution system operators. We look forward to exploring options with the OEB and IESO that support this evolution.</p>
<p>Will the near-term initiatives enable the IESO to make timely progress on its goal and focus areas?</p>	<p>We believe that the near-term initiatives will enable the IESO to make timely progress on the goals and focus areas it has identified.</p> <p>However, the IESO should also consider the impacts at the distribution level to ensure that utilities' planning is appropriately informed by DER penetration and forecasts, including identifying information distributors require regarding existing DERs to effectively operate and make future system plans.</p>
<p>Are stakeholders supportive of the approach detailed in the draft DER Roadmap Engagement Plan?</p>	<p>Yes. We also suggest that the IESO provide a follow up of key action items and how they will be addressed for each stakeholder group. This additional step will be useful for future discussions on DER policy development for the sector.</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.

OEB/IESO Joint Engagement on DER Integration

Topic	Feedback
Do the proposed OEB/IESO Joint Engagement objectives meet stakeholder needs?	<p>We believe that the joint engagements partially meet the needs of stakeholders.</p> <p>We also suggest that the IESO consider the need for amendments to the statutory framework (e.g., so that distribution-integrated resource planning can support LDCs owning and operating DERs, whether connected directly to the distribution system or behind-the-meter; to eliminate restrictions based on capacity).</p>
Will the proposed process for OEB/IESO Joint Engagement enable us to deliver on the proposed objectives?	<p>As DER participation in the IESO Administered Market (IAM) increases, IESO-LDC coordination could be extended to DERs and DER aggregations below 10 MW to help ensure the safe and reliable operation of both the bulk and distribution systems. If implemented, these types of changes would need to be reflected in the IESO's market manuals, market rules, procurement or auction rules, and the Distribution System Code that sets out distributor requirements for coordination with the IESO.</p>
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?	<ul style="list-style-type: none"> • LDC role in DER integration: Increasing DER participation in wholesale markets will also increase the complexities of managing the distribution system and require LDCs to effectively integrate new DERs and manage increased two-way power flows across the Transmission-Distribution interface. Implementing options to enhance DER integration would likely necessitate expansion of the LDC role. To support better coordination, for example, LDCs would need to enhance their own capabilities to forecast DER behaviour and corresponding system impacts at the T-D interfaces. • If LDCs become accountable for these new functions, the OEB will need to determine whether, how, and when it would be appropriate for the incremental costs they incur to fulfill these responsibilities to be recovered from customers and potentially implement and reflect such new functions via new and/or modified code requirements. • LDCs will also play a crucial role in supporting customers with DER related activities while maintaining the safety and reliability of the grid.

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

Topic	Feedback
<p>Given the problem statement, recommendations, and opportunity presented today, what barriers to DER integration are best suited to be addressed through the joint call?</p>	<p>Expanding the role for LDCs: If LDCs become accountable for new functions that help support the implementation of DERs, the OEB will need to determine how and when it would be appropriate for the incremental costs they incur to fulfill these responsibilities to be recovered from customers and potentially implement and reflect such new functions via new and/or modified code requirements. Also, looking at how DER deployment will impact existing Distribution System Plans and capacity constraint. LDCs need to be at the table as DER regulations are developed to ensure the safe and reliable operation of our distribution systems.</p>

General Comments/Feedback

We encourage the IESO to explore all options that foster the responsible adoption of DERs, whether connected to the IAM or a distributor’s infrastructure. LDCs can effectively own and operate and host DERs and may eventually become distribution system operators. LDCs are best positioned to maximize the value and benefits of DERs to distribution systems and to the customers served by those systems. LDCs are uniquely able to coordinate the dispatch of DERs, either at the device specific level or in aggregate to manage power flows so that customers are served safely, reliably and at the lowest sustainable cost.

LDCs will work with their customers, DER proponents and other third parties, and utilize their own assets, including DERs, to benefit all parties.

As such, LDCs will need to be at the table as DER regulations are developed to ensure the safe and reliable operation of our distribution systems.