Feedback Form

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

Feedback Provided by:

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Following the September 22, 2021 DER Roadmap engagement meeting, where the IESO welcomed stakeholders to present their perspectives on the DERs that are most likely to emerge in Ontario and how they should be incorporated into wholesale markets to inform the Market Vision Project, the IESO is seeking any further thoughts from participants that were stimulated by the stakeholder presentations.

The recorded presentation can be found under the September 22, 2021 entry on the <u>DER Roadmap</u> webpage.

Please provide feedback by October 29, 2021 to <u>engagement@ieso.ca</u>. 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 <u>DER Roadmap webpage</u> unless otherwise requested by the sender.

Thank you for your time.



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Views on the DER issues that are most likely to emerge in Ontario and how they should be incoporated into wholesale markets.

As more DERs are integrated within the electricity system, there will be a number of DER related issues that arise that directly impact LDCs:

- a) As DER participation in the IAM increases, IESO-LDC coordination should 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.
- b) 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 T-D interface. Implementing options to enhance DER integration would likely necessitate expansion of the LDC role.
- c) Cost and Regulatory Impacts: 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, and potentially implement and reflect such new functions via new and/or modified code requirements. Also, it is critical for the IESO and OEB to look at how DER deployment will impact existing distribution system plans and add possible additional LDC responsibilities to help with DER integration so that LDCs can provide the necessary support. LDCs need a voice at the table as DER regulations are developed to ensure that distribution sector impacts are accounted for and that the

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	appropriate regulatory supports are in place to help LDCs play a more active role in DER integration. d) DER Flexibility: The EDA proposes that DER owner/operators have the choice of who issues dispatch instructions to their device(s), and not that the IESO should have the ability to 'reach into' the LDC's service area when issuing dispatch instructions. LDCs have specific operational issues to manage and the value proposition of the DER will differ depending on whether it is to be used to address a distribution issue, a transmission issue, or a supply issue.

General Comments/Feedback

LDCs can effectively own and operate and host DERs and may become distribution system operators in the future. 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.

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 need a voice at the table as DER regulations are developed to ensure the safe and reliable operation of our distribution systems.