

Feedback Form

OEB/IESO Joint Engagement on DER Integration – April 13, 2022

Feedback Provided by:

Name: Peter Ronson

Title: Chief Operating Officer

Organization: Markham District Energy

Email: [REDACTED]

Date: April 26 2022

Following the April 13, 2022 OEB/IESO Joint Engagement session, the Ontario Energy Board (OEB) and the Independent Electricity System Operator (IESO) are seeking feedback from participants on the joint engagement in general as well as the updates to the list of cross-cutting issues presented.

The referenced presentations can be found on the [DER Roadmap webpage](#).

Please provide feedback by May 11, 2022 to engagement@ieso.ca. Please use subject header: *OEB/IESO Joint Engagement*. To promote transparency, this feedback will be posted on the [DER Roadmap webpage](#) unless otherwise requested by the sender.

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

Thank you for your contribution.

OEB/IESO Joint Engagement

Topic	Feedback
Are there any new potential cross-cutting issues related to DER integration that should be considered for collaboration between the OEB/IESO?	
How well are the objectives of this joint engagement (i.e. to provide clarity on the topics being addressed by each organization, identify cross-cutting issues, and ensure IESO and OEB efforts are appropriately coordinated) being achieved?	

General Comments/Feedback

Given electricity load is on the rebound with things like decarbonization efforts using electric heat pumps and EV adoption, it appears clear Ontario is going to need new electricity supply, CDM and other load management tools.

With that being said, the IESO and the OEB should be encouraging the adoption of DER resources where they make good economic and environmental sense. This is clearly part of why this process is underway.

However, it appears that the potential DER customer/owner is being left out of the equation, or at the back-seat. So much of the current discussion appears to be about grid value and making sure LDC revenues and operations are not impacted, ratepayers are being held whole and such. Not saying that is unimportant ... but the Province and the ratepayers needs new electricity capacity, and this electricity is hopefully going to come in part through DER's. The owner of the DER has to be able to obtain rate of return on their investment ... and that seems to be overlooked. So much of the discussion is about negative implications and why DER's are a problem, vs. "...lets figure out how to make it work..". I don't really see the avoided cost of transmission and distribution being factored in a real way along with other benefits. As a customer, it is hard not to get discouraged.

I would encourage you to recognize that many/most customers that might consider DERs won't be in the electricity business and electricity is not going to be their core business. DER adoption has to be really simple or it won't happen at any scale. Pricing for DER resources and understanding the investment return has to also be simple and low risk. The currently favored auction process can in theory achieve transparent lowest cost but are limited by arbitrary and defined time-lines that won't necessarily line up with customer interest and capital approval cycles. Different acquisition mechanisms are going to be needed for DER resources to ensure more significant penetration.

I hope some of these themes and issues can make there way into the discussions going forward.

