Feedback Form

Make-Whole Payments (MWP) for Energy Limited Resources (ELR)

Meeting Date: October 14, 2026

Feedback Provided by:

Name: Faizan Farooqi

Title: Founder & Principal

Organization: Sedona Renewables Inc.

Email:

Date: October 28, 2026

Following the **October 14** session, the Independent Electricity System Operator (IESO) is seeking feedback on the items discussed during the webinar. The presentation and recording can be accessed from the engagement web page.

Please submit feedback to engagement@ieso.ca by **October 28, 2026**. If you wish to provide confidential feedback, please submit it as a separate document, marked "**Confidential**." Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

SEDONA RENEWABLES INC.
Development | Procurement | Delivery

FORMAL STAKEHOLDER FEEDBACK

DER Market Integration

Enabling Resources Program | October 15, 2026 engagement

Submitted by	Faizan Farooqi | Founder & Principal, Sedona Renewables Inc.
Submission date	October 28, 2026
Consultation deadline	October 30, 2026

Position in brief. Sedona welcomes a phased model that lets reliably metered front-of-meter distributed energy resources participate in wholesale energy and operating reserve markets while providing local services where technically feasible. A bankable model must make **dispatch priority, metered delivery, settlement attribution and eligible revenue stacking** transparent to participants, aggregators, investors, host distributors and communities. I support the current front-of-meter focus while requesting a published development path for behind-the-meter participation.

Basis of this feedback. I am Faizan Farooqi, Founder & Principal of Sedona Renewables, with more than 15 years of experience in power and renewable-energy infrastructure, including owner-side project development and delivery. I have worked with financing, engineering, equipment and asset-operations stakeholders. Recent practitioner conversations at Energy Storage Toronto, Climate Week NYC, ETC and Industry Connect Canada reinforced the need for visible dispatch, metering, local-service and revenue-allocation boundaries. This is my professional synthesis, not a statement on behalf of other participants.

Priority implementation requests

- Publish a revenue, obligations and dispatch-priority matrix for wholesale and distribution-level services, with anti-double-counting rules.
- Publish an end-to-end sample settlement for two metered contributors, including wholesale and local reservations, imbalance charges and aggregator-to-owner payment.
- Define a consistent process for LDC reservations and constraints to be reflected in IESO availability and dispatch submissions.
- Use risk-based, technology-neutral metering and grid-connection verification without weakening five-minute traceability.
- Make the present FTM scope and future BTM market-design pathway unmistakable to developers and financing parties.

1 | Define the exact market scope

The October 15 design proposes FTM DER aggregations between 1 MW and 20 MW, capable of quick-start five-minute dispatch, within an allowed transmission-distribution interface, served by one local distribution company and equipped with IESO-approved wholesale metering. This is not yet a general tariff or universal wholesale market entry for behind-the-meter resources.

Request. Publish a decision tree for a standalone FTM plant, a 1-20 MW FTM aggregation, a co-located hybrid and a BTM customer asset, clearly identifying present eligibility, future subject-to-engagement pathways, relevant IESO/OEB/LDC rules, and eligibility for energy versus operating reserve. Include examples where a physical site contains multiple meters and contractual owners.

2 | Value stacking and resource adequacy without double commitment

The IESO illustrates a 5 MW aggregation with 2 MW reserved for the distributor and 3 MW available to wholesale markets. Future engagement will clarify revenue stacking. The IESO settles with the aggregator, not individual contributors; a technical capability does not establish a separate local payment.

Request. Publish a revenue-rights matrix separating IESO energy and operating reserve, LDC network support, customer payments, existing capacity commitments, future reliability products and environmental attributes. Identify eligible payees, reserved intervals, priority and proof of delivery, preventing duplicate payment for identical MW and obligations.

Request. Publish a sample commercial waterfall from gross day-ahead revenue through real-time rebalancing, operating reserve clawbacks, meter adjustments and aggregator fees to the contributing asset. A facility investor should be able to identify cash flows available for debt service without relying on unapproved or speculative optional services.

3 | Make wholesale-to-local coordination auditable

The current model expects a distributor reservation to be reflected by an aggregator through its market dispatch data. This is a sensible starting point; lenders and system operators also need a deterministic, auditable protocol for overlapping instructions, outage events and restored availability.

Request. Specify reservation start/end timestamps, the controlling party, allowed notification lead time, failure-to-notify and interruption handling, revision of market offers, conflict-resolution escalation and treatment of delayed or missing telemetry. Test a simultaneous wholesale dispatch and LDC contingency against the stated priority rules, showing which charges or performance consequences apply.

4 | Metering, cybersecurity and operational acceptance

The IESO intends to use existing revenue-grade wholesale metering with five-minute readings. For aggregations, each contributor requires an appropriate registered wholesale meter and approved aggregation rules, even though wholesale settlement occurs at the aggregate level. The presentation notes existing metering flexibility for certain embedded generators below 2 MVA; it does not eliminate approved measurement and security requirements.

Request. Publish a qualification crosswalk for meter class and sealing, time synchronization, loss factors, meter data validation, cybersecurity, SCADA and dispatch tests, communications fallbacks and commissioning-stage acceptance. Show which costs fall on the aggregator, owner, distributor and market operator. Provide lead times for metering approval, site acceptance and registration so commercial operation schedules are realistic.

Suggested metering and revenue traceability example

Risk / dependency	Requested IESO clarification	Why it matters
5 MW aggregation	Two metered BESS units of 3 MW and 2 MW; same LDC and eligible TDI	Trace contributor identity, registration and metering
Local reservation	LDC reserves 2 MW during a stated interval; aggregator reduces wholesale availability	No double commitment of the same MW
Wholesale dispatch	IESO schedules 3 MW remaining; DAM/RT prices and OR rules apply	Reconcile physical injection with offered availability
Revenue allocation	IESO pays/charges aggregator; aggregator allocates to equipment owners	Disclose fees, losses, reserve charges and disputes

5 | Behind-the-meter and community finance: clear next-stage pathway

The current October engagement excludes BTM, demand response and flexible load from its FTM metering scope. BTM customers may have separate bill-management or contract-based local service opportunities today, but these should not be represented as wholesale DERA payments in the present design.

Request. Publish the timetable and gating questions for future BTM aggregation engagement, including baseline versus actual measurement, export versus avoided consumption, customer consents, participation conflicts, meter sharing and the treatment of local distribution service payments. Design the process to accommodate smaller and Indigenous or community-owned developers without lowering core reliability, safety or audit standards.

The July 2026 OEB Non-Wires Solutions Guidelines provide an additional framework for distributor-led programs; IESO should align definitions and data exchange but not assume that local ratepayer-funded arrangements are automatic or identical to wholesale compensation.

6 | Focused pre-implementation decision requests

- When will a complete FTM DERA registration-to-COD checklist, minimum metering specifications and test scripts be published?
- Will the IESO publish a worked 5 MW / 2 MW local reservation example with actual five-minute energy and OR settlement adjustments?
- What contractual evidence confirms the LDC reservation and prevents wholesale/local double compensation?
- How are the cost and risk of communications failures and network-driven restrictions allocated?
- When will the BTM stakeholder process commence, and what portions of the future market design must not yet be included in a current revenue forecast?

Closing position

The IESO can strengthen market confidence and reliability by publishing rules that are independently testable, administratively feasible, and capable of being priced and delivered by accountable proponents. I would welcome continued technical engagement on these implementation details.

Faizan Farooqi
Founder & Principal
SEDONA RENEWABLES INC.
[redacted]

Reference material reviewed

IESO, October 15 2026 DER Market Integration workshop | Official source (click to open)

IESO, October 2026 DER Integration engagement and deadline | Official source (click to open)

Ontario Energy Board, Non-Wires Solutions Guidelines (July 7 2026) | Official source (click to open)

IESO, LT2 Window 2 October 2026 draft procurement documentation | Official source (click to open)

IESO, October 23 2026 stakeholder deadline notice | Official source (click to open)