

Feedback Form

Demand Response Working Group webinar – February 12, 2021

Feedback Provided by:

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Following the February 12, 2021 Demand Response Working Group (DRWG) engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following items discussed during the webinar. Background information related to these feedback requests can be found in the presentation, which can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by March 8, 2021. If you wish to provide confidential feedback, please submit as a separate document, marked "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Feedback on Draft DR Market Development Priorities

Topic	Feedback
<p>Are there additional priority initiatives that should be captured?</p> <p>Is the current ranking of priority initiatives appropriate?</p> <p>Should any of the draft priority initiatives be revised or removed?</p>	<p><u>Additional Initiatives</u></p> <p>Voltus would like to encourage the IESO to consider the following enhancements to Demand Response/Capacity Auction in Ontario:</p> <ol style="list-style-type: none"> 1. Enabling participation for non-dispatchable generators. Voltus has recently encountered the inability for non-dispatchable bi-directional facilities to participate in the Capacity Auction. These resources are being excluded from both Physical and Virtual Participation and Voltus would like to see their participation enabled in future capacity markets. 2. Enabling registration and management of physical demand response resources by aggregators. Most markets in which Voltus operates allow for loads of all sizes and types to be registered and offered into market by a third-party aggregator. However, the IESO introduced a requirement last Summer to require any physical demand response resource to be registered by the resource owner. Where loads are in virtually constrained regions, it places an unfair bureaucratic burden on site operators and makes it substantially more difficult for aggregators to assist in the registration processes. Moreover, it dramatically increases lead-time for the resources as they are unable to be allocated capacity from aggregators. <p>Voltus would like the IESO to consider enabling the registration and management of physical demand responses resources by aggregations for the 2022 Auction to ensure that all Physical demand response resources can actively participate in providing the IESO with low-cost capacity. Addressing this issue may require the development of dispatchable demand response resources located at the same physical node that contain the demand response characteristics of the non-dispatchable load. Voltus believes that this approach could also be used to enable resources of this type in the energy and operating reserves markets.</p> <ol style="list-style-type: none"> 3. Voltus believes that the current rules around 1-hour tests being only applied to portfolios that passed a previous test and have not grown by more than 5 MW represents a disadvantage to companies seeking to grow

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	<p>their market share. Voltus is wondering if the IESO would consider allowing a 1-hour test on the previously performing volumes and a 4-hour test on the increased volume.</p> <p>In addition, Voltus would like to emphasize that the highest priority item for the sector is the enablement of dispatchable virtual demand response resources in operating reserves.</p> <p><u>Priority of remaining initiatives</u> Voltus believes that the enabling of two virtual resources could assist with managing the 1-hour test issues mentioned above.</p> <p>We also believe that Exploring near-term opportunities to unlock flexibility from DR resources that leverage smaller DERs is better tackled through a broader solution that enables all DERs (including demand response) to participate in all IAMs that they can meet the performance requirements for.</p>

General Comments/Feedback