

Minutes of the Meeting

2026 APS Advisory Group, #2

Meeting date: 07/01/2026

Chair/Sponsor: Tom Aagaard, Pantea Parvinhosseini (IESO)

Meeting time: 13:00 p.m.

Meeting location: IESO, Teams

Invitees	Representing	Attendance Status Attended, Regrets, Teleconference
Karen Sweet	Enbridge Inc.	Regrets*
Josh Wasylyk	OEB	Attended
Christopher Humphries	OEB	Attended
Alexander Di Ilio	OEB	Attended
Parvez Khan	MEM	Attended (Observer)
Kevork Hacatoglu	MEM	Attended (Observer)
Kevin G Nugent	MEM	Attended (Observer)

*Written comments on materials provided separately and integrated into meeting notes.

Agenda Item 1: Introductions

Members introduced themselves and explained their roles at their respective member organizations.

Agenda Item 2: Project Status Update

- December webinar recap: Covered consultant's methodology, draft measure list (energy efficiency, DR, behind-the-meter DER), initial data sources, and stakeholder feedback request.
- Attendance: ~100 participants; strong engagement and questions.

- Next webinar planned for March, focusing on assumptions and inputs rather than methodology.

Agenda Item 3: Data sources for historic DER and DR uptake

- IESO program participation data for traditional energy efficiency programming is robust; DER and DR program data is more fragmented.
- Key sources identified:
- OEB's [Electricity Reporting & Record Keeping Requirements](#) data ("triple-R) for net metered resources
- Save on Energy DER program data (limited timeperiod but rich detail).
- Lawrence Berkeley National Lab's [U.S. Distributed Solar and Storage Data](#) reporting (as a secondary source for benchmarking Ontario data)
- Small group meetings with Ontario DER developers and DR aggregators
- Additional sources recommended by the Advisory Group for exploration:
- Historical and forecasted Local Distribution Company (LDC) -led program participation data, particularly for Hydro One, Toronto Hydro, Hydro Ottawa
- Solar incentive data from the discontinued Enbridge- and NRCan-led Home Efficiency Rebate Plus (HER+) program
 - Enbridge Residential End-Use Survey data on air conditioning and smart thermostats penetration may be useful for DR potential estimation

Agenda Item 4: Perspectives on recent, planned, or expected policy, regulatory, and markets developments that could impact achievable potential

- The Advisory Group identified market, policy, and regulatory developments that could impact achievable relative to historic conditions
- Developments identified included...
- Continuing cost declines for solar/storage.
- Continued increased penetration of smart thermostats and controls.
- Market transformation of the lighting market reducing lighting achievable potential
- Growing customer awareness and acceptance of "smart" controls
- The harmonization of building code requirements across Ontario with Bill 17
- The impact of changes to the OEB's *DER Connections Procedure* to help address barriers for DER adoption, particularly small projects <12 kW, and potential addition regulatory changes to support greater DER integration

- Potential changes to DER financial compensation arising from the OEB's Review of the Valuation of DER and forthcoming recommendations to government (e.g. transitioning from "net-metering" to "net-billing")
- Potential impacts of LDC evolution into Distribution System Operators
- Forthcoming updates to the federal Electric Vehicle Availability Standard sales targets
- The impact of regulatory and policy initiatives to support EV integration and charging infrastructure availability
- The group discussed the policy-based prohibitions on eDSM program-incented DER participating in the Ministry' net metering program or markets, and how this may partially insulate eDSM program potential but certain expected DER developments
- The discussion raised broader questions about the challenges of long-term modelling in the context of significant uncertainty around carbon pricing, pace and scale of electrification, geopolitical risk to resource supply chains, etc. (see Agenda Item 6)

Agenda Item 5: Distribution system capacity data for DER

- Aligned with broader stakeholder feedback, the Advisory Group supported considering distribution network hosting capacity constraints in APS modeling to ensure credibility and usability of the study's behind-the-meter DER achievable potential results
- The OEB's new Centralized Capacity Information Map (CCIM) identified as key resource for distribution network hosting capacity.
- Challenges:
- Ideally hosting capacity constraints would be applied at the IESO transmission zone level (the APS modeling's greatest degree of geographic granularity); however, the feasibility of segmenting the CCIM data by transmission zone is unclear
- Acknowledgement that distribution network hosting capacity will evolve over the the study's time horizon.
- Consensus that despite the noted challenges including considering distribution network hosting capacity is desirable.

Agenda Item 6: Feedback on proposed scenarios/sensitivities

- Building on the Agenda Item 5 discussion, the Advisory Group noted that general increase in uncertainty with the pace and magnitude of electrification and large loads development (e.g. data centres), and potential geopolitical or trade dispute shocks to resource supply chains and costs. This trend increases the importance of conducting multiple scenarios and sensitivities, including scenarios exploring low-probability but high-impact developments.
- The IESO discussed how, as directed in the Integrated Energy Plan, it has begun centering planning products around three standard scenarios: reference-, high-, and low-demand. Each scenario reflects variances in assumptions about the pace and magnitude of electrification and

economic development to better inform planning in the context of elevated uncertainty. It also highlighted how the development of an enduring, updatable APS model is intended to provide greater flexibility to update modelling in response to major changes in demand forecasts, supply outlook, etc.

- The IESO shared its proposal to premise the 2026 study's first three scenarios on reference-, high-, and low-demand scenarios, keeping other variables (i.e. incentive cap, cost-effectiveness screen, avoid cost inputs) constant, and its rationale for this proposal.
- Additionally, the IESO proposed that the fourth scenario be aligned with the reference demand scenario except feature elevated avoided capacity costs, and discussed how this scenario would be useful for exploring:
 - The impact of material avoided transmission/distribution capacity costs on achievable potential
 - The impact of higher-than-expected generation capacity costs materializing
 - EDSM potential that is currently on the margins of cost-effectiveness with current avoided costs
 - The Advisory Group was supportive of the four scenarios, and additionally recommended IESO consider some additional scenarios/sensitivities for follow-on work...
 - Comparing achievable potential results with/without the Ontario Energy Rebate in effect
 - Exploring the impact of extremely high avoided energy and capacity benefits for a select number of years (approximating a situation where geopolitical developments, trade disputes, or other factors significantly delay the development of new supply resources or escalate development costs).
 - Exploring higher/lower electricity rates
- The IESO invited the Advisory Group to recommend potential references for fourth scenario's higher avoided capacity costs.

Agenda Item 7: Cost-effectiveness testing

- The Advisory Group was supportive of the IESO's plan to use the Program Administrator Cost (PAC) test with a threshold of 1 for cost-effectiveness screening.
- The group noted that the use of PAC is inconsistent with the OEB's recent natural gas DSM potential study but considered it reasonable as the use of PAC is consistent with program design, evaluation, and reporting under the current eDSM framework
- Discussion on incorporating non-energy benefits (e.g., reliability, energy security) in future APS iterations.

Action Item Summary

	Action	Status	Comments
2	OEB: Confirm if any additional regulatory initiatives, beyond <i>DER Connections Procedure</i> updates, expected that would materially impact customer participation in eDSM DER programs	Underway	
3	OEB: Connect IESO with OEB team leading the Common Capacity Information Map project	Complete	
	IESO: Reach out to LDCs regarding historical and forecasted participation in LDC-led DR and DER programs	Underway	
5	IESO: Follow up with Enbridge on solar incentive participation in the HER+ program	Complete	
6	OEB/Enbridge/Ministry: share potential references for fourth scenario higher avoided capacity cost assumption	Underway	
8	IESO: Distribute meeting notes and action items.	Complete	