Feedback Form

Enabling Resources Program (ERP) – Distributed Energy Resources (DER) Integration Project

Meeting Date: November 19, 2025

Feedback Provided by:

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Following the **November 19, 2025**, engagement 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 **December 3, 2025**. 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.

General ERP Feedback

Engagement Process

Topic	Feedback
Feedback on the overall engagement process and approach being utilized for this project	Please refer to Hydro One's comments in the General Comments/Feedback section below.

DER Participation Model

Topic	Feedback
DER participation Do you currently have resources interested in accessing the wholesale markets today? Please specify the resource type (e.g., storage, combined heat and power, etc.) and the MW capacity.	Hydro One is not in a position to provide comments on behalf of the third-party owned DERs in our service territory.
DER aggregation What would be the general characteristics of the DER aggregations you could form to participate in the wholesale markets? Please specify the size, geographic footprint, and resource composition of the aggregation.	Hydro One does not have specific feedback to provide at this time.

Topic	Feedback
Metering requirements If alternative metering requirements for small contributors to an aggregation allow for the use of utility grade revenue meters, would this benefit your business case?	Hydro One does not have specific feedback to provide at this time.

Data Sharing and Coordination

The following questions are of particular interest to DER Aggregators and Local Distribution Companies (LDCs)

Topic	Feedback
Do you foresee any potential impacts from registering additional relevant distribution equipment with the IESO, solely for situational awareness?	Please refer to Hydro One's comments in the General Comments/Feedback section below.
Do you have concerns with authorizing confidential data sharing between the IESO and distributors, if necessary to support system reliability and/or facilitate market participation?	Hydro One would need to understand the scope of the specific data that is expected to be shared in order to respond to this question. Please refer to Hydro One's comments in the General Comments/Feedback section below for other relevant considerations.
Feedback on proposed data sharing and coordination mechanisms (Slides 27-31)	Please refer to Hydro One's comments in the General Comments/Feedback section below.

General Comments/Feedback

On June 12, 2025, the Minister of Energy released the new Integrated Energy Plan (IEP), Energy for Generations: *Ontario's Integrated Plan to Power the Strongest Economy in the G7* and associated implementation Directives to the OEB and IESO. The IEP Directives to the IESO and OEB asked them to enhance data sharing practices between IESO, LDCs, and DER providers.

Hydro One appreciates the opportunity to engage with the IESO on the proposals in the ERP DER Integration Project in order to inform IESO's report back to the Ministry by March 31, 2026.

Utilities are already making key investments to unlock more opportunities for customers to participate and optimize the use of DERs

Building off the core mandate of delivering safe, reliable, and affordable electricity, *the Ontario Energy Board Act, 1998* and policies enacted over the last decade have enabled utilities to innovate in order to meet the changing customers' and system needs, including modernizing the distribution system (e.g. Advanced Metering Infrastructure (AMI)), offering customer-centric programs (e.g. demand response, managed EV charging programs), and developing non-wires solutions (NWS) opportunities with the DER community and solution providers.

Over the last decade, the government and the OEB have moved the distribution sector towards enhanced capabilities for DER participation, ranging from implementing smart meters to requiring consideration of NWS to meet distribution system needs. The OEB has already established policies and requirements in the current regulatory framework that enable utilities to do so, including the Framework for Energy Innovation, NWS Guidelines, Benefit Cost Analysis Framework, expectations of 'grid optimization' in the Filing Requirements[1][2], the proposed local energy efficiency programs (Stream 2 eDSM), their progress on the Distribution System Operator (DSO) Roadmap and upcoming workstreams in developing DSO capabilities, and tools such as the Innovation Sandbox. These developments not only support integration, management and optimization of DERs (both utility-owned and third-party owned) across the distribution system, but also provide other benefits such as enhancing grid optimization and increasing opportunities for customers to provide distribution system services. In response, and guided by customer expectations, utilities are developing these capabilities and creating more opportunities for DERs, including implementing smart meters, and leveraging NWS (e.g. Hydro One's Flexibility Procurement Initiative and myEnergy Rewards,

[1] Filing Requirements for Electricity Distribution Applications For 2025 or prior, Chapter 5, Section 5.3
[2] Filing Requirements for Electricity Distribution Applications For 2026, Chapter 5, Section 5.3.1.1

the York Region Non-Wires Alternative Demonstration Project, Toronto Hydro's Local Demand Response programs, etc.).

Utilities were key partners with the IESO in developing technical models to facilitate DER participation in electricity markets at the IESO Transmission-Distribution Coordination Working Group (TDWG). The IESO also has a variety of initiatives beyond the wholesale markets, including their capacity procurements, such as the medium and long-term procurements and Local Generation Program, which will increase the opportunities for distribution connected resources and interact with the OEB's suit of policy consultations.

The government's IEP builds on this momentum, calling for the sector to modernize the distribution system to create more opportunities for customers to actively participate in the sector. Hydro One has already taken steps to modernize our systems and create opportunities for DERs and stands ready to continue this work in partnership with the government, the OEB, and the IESO.

Coordinate with the OEB DSO roadmap to appropriately scope the proposals to achieve the intended outcomes

The OEB is well on its way to advancing a DSO roadmap in alignment with the government's request and has proposed 4 workstreams to consult on the necessary elements for a regulatory framework that will unlock the value of DERs to customers and the grid and facilitate DER participation in electricity markets.

Hydro One is aligned with the intended outcome of enabling DER participation in electricity markets, and requests clarity from the IESO on how this project interacts and aligns with the comprehensive work planned by the OEB in their DSO roadmap.

The distribution system, unlike the transmission system, is highly dynamic, frequently requiring reconfiguration to respond to evolving load growth and distribution system planning needs in specific areas. Hydro One recommends that the IESO work in conjunction with the OEB, utilities, and other stakeholders to clarify the scope of their data sharing requirements, including setting appropriate criteria and thresholds, and the incremental benefits they provide to assist the IESO in effectively managing the reliability of the IESO Administered Markets.

The IESO proposals present net new requirements that utilities have not planned for. Providing enhanced visibility into the distribution system and granular distribution information to the IESO will increase the resources, administrative burden, and costs for utilities. The IESO should assess and consider the additional administrative burden and costs to implement these proposals to ensure prudency and ratepayer value for money. The implementation timing of new requirements should account for the utility's ability to plan and recover incremental costs as part of the utility's rate recovery processes.

The timelines and specific details of this project should be carefully coordinated with the OEB's DSO Roadmap to ensure consistency, avoid duplication of efforts, and prevent pre-empting the outcome of OEB's consultation. This includes aligning key milestones, deliverables, and objectives with the broader DSO initiative. Close coordination will help prevent conflicting requirements, reduce inefficiencies, and ensure that any decisions regarding DSO roles and responsibilities, once finalized by the OEB, are fully integrated into the IESO's project plan for the Enabling Resources Program.

Hydro One thanks the IESO for the opportunity to comment on the proposals. Hydro One looks forward to collaborating with the IESO, OEB, and stakeholders in the various initiatives to achieve the Ontario government's economic development and electrification goals in a manner that aligns with the expectations of our customers.