

IESO York Region Non-Wires Alternatives Demonstration Project Feedback Form

July 23, 2020

<u>Date Submitted:</u> <i>2020/08/13</i>	<u>Feedback Provided By:</u> Company Name: Canadian Renewable Energy Association Contact Name: Nicolas Gall Contact Email: [REDACTED]
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Following the July 23, 2020 webinar to discuss the IESO York Region Non-Wires Alternatives Demonstration Project, the IESO is seeking feedback from participants on the Draft Demonstration Project Rules. Please provide your feedback in Table 1 below. The IESO will work to consider feedback and incorporate comments as appropriate and post responses on the engagement webpage. The referenced presentation and associated Draft Demonstration Project Rules can be found under the July 23, 2020 entry on the IESO York Region NWA Demonstration Project [webpage](#).

The IESO is also seeking more information about your organization. Please complete the applicable sections in Table 2 below. Please note the IESO will not post the information you submit in Table 2.

Please provide feedback by August 13, 2020 to engagement@ieso.ca. Please use subject: *Feedback: York Region NWA Demo*. To promote transparency, feedback submitted in Table 1 below will be posted on the IESO York Region NWA Demonstration Project [webpage](#) unless otherwise requested by the sender.

Thank you for your time.

General Comments/Feedback:

Thank you for the opportunity to provide comment on the Draft Rules for the IESO York Region Non-Wires Alternatives Demonstration Project.

The Canadian Renewable Energy Association (CanREA) is the voice for wind energy, solar energy and energy storage solutions in Canada. CanREA officially launched on July 1, 2020, following the amalgamation of the Canadian Solar Industries Association and the Canadian Wind Energy Association. Our diverse members are uniquely positioned to deliver clean, low-cost, reliable, flexible and scalable solutions for Canada's energy needs. Our vision is to ensure wind energy, solar energy and energy storage play a central role in transforming Canada's energy mix.

CanREA commends the IESO and Alectra on moving forward with exploring options for NWAs. Based on discussions with our members, we are concerned that as currently drafted the demonstration project places a significant amount of risk on participants which may deter participation and reduce competition. Risk is elevated in this demonstration due to tight timelines, contract termination risk and short commitment periods.

We look forward to engaging with the IESO as it continues to pursue innovative projects, especially as it relates to the integration of DERs within the electricity market.

Table 1

Topic	Feedback
<p><i>Do the proposed dates present any challenges?</i></p>	<p>For commercial scale projects, CanREA believes that the current timelines maybe be challenging for new development and may only be sufficient for the conversion of existing assets in the demonstration area for the purpose of participating in the demonstration project.</p>
<p><i>General feedback on the Draft Demonstration Project Rules</i> (please include the specific section of the Rules being referenced)</p>	<p>CanREA notes that this demonstration project is limiting eligibility to demand response, energy storage and gas-fired resources, which is a change from the high-level proposal presented in December 2019. CanREA appreciates that the IESO has indicated the potential for flexibility in considering solar projects should any proponent express interest in pursuing solar as part of this demonstration.</p> <p>CanREA encourages the IESO to consider a role for solar in NWA projects and future demonstration projects. As illustrated in CanSIA’s recently completed discussion paper (submitted to the IESO as part of the Regional Planning Review Process), many NWA projects across North America leverage solar in combination with other technologies (e.g., hybrid systems) to reliably meet local system and resource needs.</p> <p>CanREA also continues to encourage the IESO and local distribution companies (LDCs) to consider different procurement mechanisms (e.g., RFPs/longer-term contracts) for NWAs, rather than solely relying on capacity auctions with short commitment periods – if not in this demonstration project then in future projects. The IESO will be re-initiating the Resource Adequacy Engagement later this year and has now acknowledged that capacity auctions may not be sufficient for attracting investment in new-build projects or longer-term investments. If a regional need is expected to persist in the long-term, other procurement mechanisms may be more appropriate and result in lower costs for customers.</p>