# Feedback Form

# 2024 Grid Innovation Fund – April 23, 2024

#### Feedback Provided by:

Name: Brittany Ashby

Title: Senior Regulatory Affairs Advisor

Organization: Electricity Distributors Association

Email:

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To promote transparency, feedback submitted will be posted on the <u>2024 Grid Innovation Fund</u> <u>Engagement</u> web page unless otherwise requested by the sender. If you wish to provide confidential feedback, please mark as "confidential".

Following the April 23, 2024, engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback on items discussed. The webinar presentation and recording can be accessed from the <u>engagement webpage</u>.

Please submit feedback to engagement@ieso.ca by May 7, 2024.



## Specific Comments/Feedback

Торіс	Response
Do you have any comments or feedback on Stream 1 objectives including the minimum project size targets for sub-streams 1A and 1B?	
Do you have any comments or feedback on Stream 2 objectives including the minimum project size targets for sub-streams 2 and 2B?	
Are the Key Performance Indicators clear?	
Are the Evaluation Criteria clear?	
Do you have any comments or feedback on the Proposal Template Part A or Part B?	

### General Comments/Feedback

We welcome the IESO's Grid Innovation Fund (GIF) new targeted call for innovative projects focused on electrification and demand management. It is clear to us that the energy transition is being driven by the electrification of end-uses by customers at the distribution system level and these pilots reflect that reality.

However, as these resources are connected to **the distribution system**, it emphasizes that LDCs are critical to the implementation and integration of these changes into the electricity system.

*Recommendation 1:* The IESO develop a targeted call for pilots using advanced grid technologies (e.g., Volt/VAR optimization, smart reclosers, advanced sensors, and dynamic line rating) that facilitate the ability of LDCs to manage, accept, and increase the amount of DERs that can be accommodated on the distribution system.

As noted in our policy paper, <u>Solving Grid-Lock: Our Vision for a Customer-Centric Energy Transition</u>, Ontario needs better direction on how to move grid modernization technologies beyond pilots, requiring "the Ministry of Energy and OEB to define clear criteria/path for moving beyond successful grid modernization pilots to system-wide deployment (i.e., access to sustained government (federal and/or provincial) funding or rate base eligibility for next adopters)." Similarly, the report of the Ontario's Electrification and Energy Transition Panel stated that "it is crucial to move beyond pilots to broad adoption in order to unlock the full potential of new technologies and business models. Therefore, IESO and OEB should regularly report to the broader community on how specific pilots can be the basis for broad adoption, what legislative or regulatory changes would be needed, and what regulatory requirements that are sometimes suspended during trials need to be put in place for protecting customers and maintaining a competitive environment."

An example of what could be done, with respect to advanced grid technologies, comes from the United States Department of Energy's recently released report, *Pathways to Commercial Liftoff: Innovative Grid Deployment*, which suggests that "regulators and/or grid operator executives could require operational pilot programs to include scaling plans and resources in initial program designs" as a means for "avoiding the 'pilot purgatory' that has historically plagued new grid technologies."

The current GIF call for projects requires proposals that "outline the commercialization activities or next steps strategy that the organization plans to take post-project completion. We would like to know how post-project activities will enable broader uptake of this solution. We would appreciate the IESO including targets/thresholds that the project needs to reach in order to commercialize/scale. We would also appreciate knowing if an agreement has been reached to work together with key suppliers/partners to commercialize the solution (i.e., memorandum of understanding (MOU)/ agreements)?" (Section 1.8.2.3)

*Recommendation 2*: The IESO and OEB should begin investigating means of requiring that GIF-funded pilots (when appropriate and with proportionate evaluation points) include a plan for **transitioning the pilot to a full-scale program**, to ensure that all Ontario electricity customers fully benefit from successful demonstrations of advanced technologies and innovative services by Ontario's LDCs and other pilot participants.