



advanced
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Ontario Energy Board Remuneration of Utilities/Responding to DER

EB-2018-0287/EB-2018-0288

September 18th, 2019

AEMA Canada Committee

- Alcoa
- CPower
- Direct Energy
- ecobee
- EnergyHub
- Enel X
- Great Circle Solar
- Itron
- Google/Nest
- NRG Curtailment Solutions
- NRSTOR C&I
- Rodan
- Smart Energy Water
- Stem
- Viridity Energy
- Walmart

Agenda

1. Overall approach to DER – Pro-active vs. Reactive
2. Utility Remuneration – Recommendations
3. DER Issues and Solutions

Overall Approach

- **Pro-active:** work towards a vision of the future of the Dx based on the objectives of the province and the fundamental regulatory principles
- **Re-active:** incrementally evolve the regulatory structure as change drivers become significant

Recommendation- Pro-active

- Directs/incentivizes utilities to procure or encourage DERs in order to meet long term objectives
 - Plans for DER adoption and incentivizes through rates, programs, procurements
 - Creation of optional rate structure that properly value DERs
- Review of business models
 - In the context of a larger vision
 - Evolve the business models to achieve the vision

Utility Remuneration

- Pro-active Path Forward:
 - Long term vision and objectives need to be addressed
 - Safety, reliability, cost-effective, customer control
 - Planning process should be reformed to work toward objectives
 - Utility business model need to be overhauled to execute the plans at minimal cost to ratepayer

Recommendation: Review Track 1 Order for Vision

Major DER Discussion Points

- Interconnection (separate consultation)
- Data access
- DER control strategy
 - Centralized vs. distributed
- DER ownership
 - Review of ARC
- Non-wire alternatives
- Multi-use/value stacking
- Stranded costs
- Consistency across the province

California vs. NY

- Who is the front runner?
- California:
 - Hosting capacity
 - Interconnection
 - DER participation in wholesale market
 - DERs vs. traditional peaking plants
- New York
 - Value of DER
 - NWA
 - DR Programs
 - Energy storage roadmap