

Framework for Energy Innovation: Distributed Resources & Utility Incentives

FEIWG Meeting #1

June 16, 2021

Agenda

10:00 – 10:45	Welcome Remarks – Carolyn Calwell and Ceiran Bishop <ul style="list-style-type: none">• Objectives for the day
10:45 – 11:15	Review Terms of Reference
11:15 – 11:30	Morning Break
11:30 – 12:30	FEIWG Lead Selection
12:30 – 1:30	Lunch
1:30 – 2:30	Review of Workstreams and Near-Term Priorities <ul style="list-style-type: none">• Discuss sequencing of issues• Identify issue(s) to be addressed first• Discuss development of workplan• Discuss establishment of sub-working groups
2:30 – 2:45	Afternoon Break
2:45 – 3:00	Approach to Coordination with the IESO
3:00 – 3:30	Logistics Discussion <ul style="list-style-type: none">• Determine next meeting date(s)• Agenda/action items for next meeting(s) Decision Points <ul style="list-style-type: none">• Consensus decisions achieved

Objectives for the Day

1. Adopting the FEIWG Terms of Reference (ToR)
2. Selecting the FEIWG Lead
3. Initiating sequencing of tasks
4. Initiating the preparation of the work plan
5. Determining next steps

Terms of Reference

ToR: Objective

FEIWG Objective: Identify options, develop proposals and prepare written recommendations for the OEB's consideration, including:

1. Sequencing tasks and determining a schedule for when the tasks in each workstream can be completed, with particular attention to those that can be completed within the next 6-12 months (FEI project plan). In doing so, coordination with relevant IESO-related initiatives on cross-cutting issues should be considered and reflected appropriately in the FEI project plan
2. Identifying tasks within each workstream that require in-depth technical analysis that are better addressed through a sub-working group(s) and establishing any required FEI sub-working group(s) as well as terms of reference, as appropriate
 - a) Any FEI sub-working group(s) should be drawn primarily from FEIWG members. Should additional skills, capacity or representation from the sector be required the sub-working group may supplement its membership appropriately
3. Reviewing the work of the FEI sub-working group(s) and providing feedback, as necessary
4. Developing options and preparing written recommendations for the OEB's consideration

ToR: Deliverables

1. A detailed FEI project plan related to the DER Usage and DER Integration workstreams
2. Written recommendations produced by the FEIWG and/or any FEI sub-working group(s) pertaining to issues under the DER Usage and DER Integration workstreams, as required
3. Identifying and suggesting relative priority of subsequent issues and areas of focus to be addressed in subsequent phases and workstreams of the FEIWG, and any other matter requiring the OEB's attention
4. Other deliverables that may be requested by the OEB (e.g., periodic presentations to the OEB)

ToR: Term and Structure

- The term of the FEIWG is estimated to be for an initial period of 12 months
- If a member is unable to attend a FEIWG meeting, an alternate may attend in their place with approval from FEIWG Lead and/or OEB staff
- If for any reason a member is unable to continue their role on the FEIWG, it is expected the entity(s) they represent will nominate a new member to replace them
- Any OEB approved observers can attend FEIWG meetings but not as participants

ToR: Role of FEIWG Members

- Review all meeting materials prior to each meeting, giving thought to any questions that may be posed in the materials to ensure a productive dialogue
- Actively engage in FEIWG discussions and participate thoughtfully and constructively
- Complete all tasks assigned by the FEIWG Lead and produce quality work
- Make best efforts to achieve FEIWG's milestones and deliverables
- Attend all meetings or find a suitable alternate to attend on their behalf

The role of the FEIWG Lead will be addressed in the subsequent discussion on the Lead selection

ToR: Role of OEB Staff

- Co-lead the working group to assist FEIWG in achieving its mandate, milestones and deliverables
- Facilitate the production of research and written products for discussion of the FEIWG
- Provide the OEB with periodic updates on the overall progress of the FEIWG
- Facilitate OEB guidance and direction to the FEIWG, where necessary
- Attend all FEIWG and FEI sub-working group(s) meetings
- Work with FEIWG Lead to prepare an agenda for all meetings, prepare meeting notes and action items, and post meeting materials on the FEI consultation webpage

ToR: Meetings

- The FEIWG is expected to meet once every two weeks, but the frequency may change in response to needs and in recognition of stakeholders' interest and involvement in other applications and processes before the OEB
- The agenda for the meetings will be decided by the FEIWG Lead in consultation with the FEIWG members and OEB staff. The agenda will be finalized and issued to the FEIWG, along with any appropriate supplementary materials, by OEB staff at least 2 days prior to the meeting
- All meeting materials will be posted on the OEB's website to allow stakeholders to follow the FEIWG's progress

ToR: Participant Costs

- Cost awards will be available to eligible members on the FEIWG, and any sub-working group(s) established by the FEIWG, and will cover preparation, attendance, and reporting time in relation to each working group meeting
- The maximum number of cost eligible hours to prepare for, attend and report on working group meetings is:
 - **Per Eligible Participant:** up to 1.5 times of actual attended meeting time
 - **FEIWG Lead:** up to 2.5 times of actual attended meeting time, in the event the selected FEIWG Lead is a member representing an entity that is eligible for an award of costs

Questions?

Morning Break

FEIWG Lead Selection

ToR: Role of FEIWG Lead

- Establishing and maintaining a pace of work to adhere to the project plan
- Working with OEB staff to develop meeting schedules and agendas
- Moderating FEIWG meetings – guiding, supporting, and advancing collaborative discussion and make reasonable effort to help reach group consensus on issues
- Facilitating, delegating, and otherwise assisting in the development of preparatory materials and FEIWG written recommendations by, among other things:
 - Assigning work to FEIWG members, as required
 - Reviewing draft materials prepared by FEIWG members and submitting final documents to the OEB for consideration
- Working with OEB staff to obtain OEB guidance and direction to address emerging and/or other developments, when necessary
- Designating an alternate Lead to assume the Lead’s responsibilities in his or her absence

OEB staff will co-lead the working group with the FEIWG Lead to assist the FEIWG in achieving its mandate, milestones and deliverables

Nominations Received

- In May, the OEB asked the FEIWG to nominate members for the role of the FEIWG Lead
 - Deadline for nominations was May 25th
- The OEB received the following 3 nominations:

Nominee(s)	Nominated By
Kathi Farmer, EDA <ul style="list-style-type: none"> • The EDA also supported a co- or joint leadership with a DER proponent, if the OEB chooses to do so 	EDA
Ian Mondrow, IGUA and AMPCO	SEC
Sarah Griffiths, Enel X and Andrew Sasso, Toronto Hydro for Co-Leads	Self-nominated

Results of Preliminary Poll

Nominee(s)	Preferences
Sarah Griffiths and Andrew Sasso as Co-Leads	10 members
Ian Mondrow, IGUA and AMPCO	5 members
Chose not to say	7 members
TOTAL	22 members

Notable results:

- High abstention rate (30%)
- High group affinity - preferences tend to be for same interest that the nominee(s) represent

Additional Member Input

- One member suggested the use of a neutral facilitator with industry knowledge, instead of a Lead/Co-Lead
 - This was supported by another member
- Another member suggested the use of Co-Leads with one utility representative and one stakeholder representative
- One member highlighted the OEB's mandate to protect the interest of consumers and the importance of not losing sight of this

Methodology & Criteria for FEIWG Lead Selection

- The Lead has a critical role and is expected to make best efforts to approach the FEIWG work in a balanced and objective manner
- It is the OEB's view that the selection must be based on both of the following:
 1. Consensus rather than a simple majority
 2. Skills and experience of the nominee, not the interest that the nominee represents

Why Consensus?

- Achieves more collaborative and cooperative discussions amongst the group
- All member voices are heard
- Respects the diversity of interests represented
- Builds upon the inclusive approach to that the OEB has taken to this consultation

Skills and Experience

- Balanced and objective approach
- Broad energy sector (gas & electricity) knowledge and experience
- Sound knowledge of the OEB's policy making function
- Experience leading complex multi-stakeholder policy consultations and/or working group sessions
- Ability to advance collaborative discussion and help reach group consensus

FEIWG Facilitator

- The OEB is in the process of procuring an external facilitator to support some of the discussions of the FEIWG, as appropriate
- A facilitator is not a Lead
 - The facilitator will be expected to moderate certain discussions on behalf of OEB staff
 - Not expected to provide project management or any of the responsibilities set out for the Lead in the ToR

Note: The use of a facilitator is still an option. They would be expected to complement the Lead; how often and when the facilitator could best be used is still to be discussed and determined

For Discussion

Does the OEB's methodology and criteria for selecting the Lead alter your preference?

- If yes, do we have consensus on the Lead?
- If not, what alternatives do you propose?

If members are unable to reach a consensus, the OEB will take the issue back for further consideration

Lunch Break

Workstreams and Near-Term Priorities

DER Usage Workstream

Objective:

Investigate and support utilities' use of DERs they do not own as alternatives to traditional solutions to meet distribution needs

Tasks:

- Establishing a working definition of DERs
- Developing a number of high-value, non-utility-owned DER use cases as alternatives to traditional solutions to meet distribution system needs, based on relevant players' knowledge of needs and alternative solutions
- Defining an approach to measure the benefits of these DER use cases relative to costs and assess the value of DERs relative to traditional distribution investments
- Developing appropriate incentives for distributors to adopt DERs for distribution uses that do not require equity investment by the utility

DER Integration Workstream

Objective:

Ensure that utilities' planning is appropriately informed by DER penetration and forecasts

Tasks:

- Identifying information distributors require regarding existing DERs to effectively operate and make future system plans
- Establishing appropriate reporting requirements

Sequencing of Tasks

As indicated in the ToR, the FEIWG is responsible for sequencing tasks and determining a schedule for when the tasks in each workstream can be completed, with particular attention to those that can be completed within the next 6-12 months

For Discussion:

How should we approach the issues under each workstream?

- Are there foundational issues that need to be addressed first?
- Are there issues that can be examined in parallel?
- Which tasks can be completed within the next 6 months?
12 months?

Work Plan

- As indicated in the TOR, the FEIWG is responsible for developing a detailed FEI project plan related to the DER Usage and DER Integration workstreams
- The May letter indicated that the work schedule is expected to consider coordination with relevant IESO-related initiatives on cross-cutting issues, as appropriate

For Discussion:

1. What is the best way to approach the development of the FEI work plan?
2. Are there any dependencies? If yes, what are they?
3. How much work can be planned in advance, and how much can only be planned after certain milestones have been achieved?

Sub-Working Groups

As indicated in the ToR, the FEIWG is responsible for identifying tasks that require in-depth technical analysis that are better addressed through a sub-working group(s)

- Any FEI sub-working group(s) should be drawn primarily from FEIWG members
- Should additional skills, capacity or representation from the sector be required the sub-working group may supplement its membership appropriately
- Consideration should be given to nominees that were not selected for the FEIWG

For Discussion:

Is there a need for a sub-working group at this time? If yes,

- Which tasks call for a sub-working group now? Why?
- Should members be drawn exclusively from FEIWG members and why?
- What works well for reporting back on progress and ensuring communication between sub-working group(s) and the FEIWG?

Afternoon Break

OEB/IESO DER Coordination

Brennan Louw

OEB/IESO Joint Engagement - Context

- A common theme in stakeholder feedback to both the IESO and OEB has been the need for greater and more public coordination between the two organizations in relation to DER integration
- Stakeholders have indicated that there are a number of “cross-cutting” issues that impact the work of both the IESO and OEB and it is unclear who is responsible and how the IESO and OEB are coordinating on these topics
- In response to this feedback, the OEB and IESO are proposing to initiate a joint public engagement to enhance coordination on DER integration

OEB/IESO Joint Engagement - Process

- Leverage existing stakeholder venue(s), i.e. IESO's DER Roadmap engagement sessions and OEB's FEI consultation
- Meetings will be jointly hosted by OEB and IESO and will be open to all stakeholders
- Initial meeting will be held in the fall of 2021 and subsequent meetings will be held approximately every 6 months
- IESO and OEB will alternate hosting of these meetings

OEB/IESO Joint Engagement - Objectives

- Provide clarity to stakeholders on what topics and issues are being addressed by each organization and in what forums
- Identify key cross-cutting issues and demonstrate to stakeholders how and when they will be addressed
- Ensure IESO and OEB efforts are appropriately coordinated in order to make timely progress on each organization's efforts and DER integration as a whole

OEB/IESO Joint Engagement - Questions

- Do the proposed OEB/IESO Joint Engagement objectives meet stakeholder needs?
- Will the proposed process for OEB/IESO Joint Engagement enable us to deliver on the proposed objectives?
- What are the cross-cutting issues relevant to the OEB/IESO Joint Engagement that there should be focus on/awareness of and why do they matter?

Logistics

Next Steps

1. Determine next meeting date(s)
 - Meeting #2 week of July 12th
 - Meeting #3 week of August 9th
2. Agenda/action items for next meeting(s)
 - TBD