

1 **OEB STAFF INTERROGATORY 14**

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3 **INTERROGATORY**

4 Reference:

5 IESO Evidence, November 8, 2019, Tab A, p.8; OEB Staff IR #8, p.2

6 In the IESO evidence, the IESO noted that dispatchable loads have been economically
7 dispatched less than 1% of the time since the DRA was introduced. Based on the table provided
8 by the IESO in the response to OEB Staff interrogatory #8, the actual number of “interval based”
9 activations of dispatchable load resources is 525, since May 2016, and the chart below, prepared
10 by OEB staff using the data in the IESO’s table referenced above, shows the number of economic
11 activations in each year.

12 Questions:

- 13 (a) Please explain why there has been such a significant (i.e., four-fold) and consistent decline
14 in dispatchable load activations since 2016 -- from 244 to 64 – as part of the IESO’s DRA.
15
- 16 (b) IESO stated in its response to OEB-Staff-8 that it expects 2020 DR economic activation
17 frequency not to differ from 2019 levels. Please describe the currently expected frequency
18 of economic activations in 2021, 2022, and 2023.
19
- 20 (c) Is any change in DR economic activation frequency upcoming years (relative to prior
21 years) to be attributed to the procurement of both generation and demand response
22 resource commitments via the same auction process?

23

24 **RESPONSE**

- 25 (a) As Board staff notes, dispatchable loads participating in the DRA have rarely been
26 economically dispatched since the DRA was introduced. Dispatchable load activations
27 are a function of the participant’s bid relative to the market price. The IESO has not
28 conducted any analysis to assess the reasons for the decline in activations.
29
- 30 (b) Based only on historical bids of dispatchable loads, the IESO would expect little change
31 to the frequency of economic activations for DR resources in 2021, 2022, or 2023.
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- 33 (c) See (b), above.
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OEB STAFF INTERROGATORY 15

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3 **INTERROGATORY**

4 Reference:

5 IESO Evidence, November 8, 2019, Tab A, p.30

6 IESO refers to Ontario-specific analysis that was undertaken by Navigant, and notes in its
7 November evidence that, “any reductions in the IESO market price may simply be offset by out of
8 market Global Adjustment payments” due to more DR activations resulting from bidding into the
9 market at prices lower than generators.

10 Questions:

11 (a) If any other type of resource (e.g. storage) were bidding into the market at prices lower
12 than generators, would the potential outcome due to the Global Adjustment (GA) be any
13 different? If it would be different, please explain why.

14 **RESPONSE**

15 (a) No, there would be no expected difference in outcome.