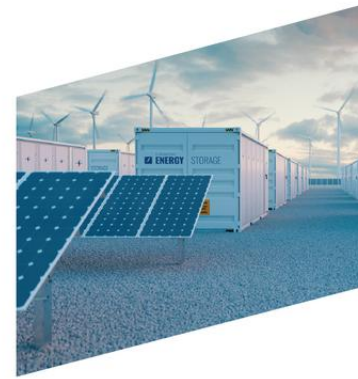


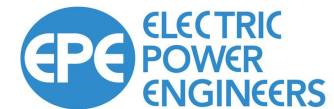


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**OEB Stakeholder Meeting**  
June 24, 2025 | 11:00AM  
DSO Capabilities  
EB-2025-0060

*In collaboration with:*



**sussex**

# DSO Readiness Strategy

## ➤ Overview and Background

- About GSC
- Major highlights

## ➤ Proposed DSO Model

- GSC Common Services Platform

## ➤ Next Steps

- Phase 1: Governance Framework
- Phase 2: DER Services through Aggregators
- Phase 3: DER Services through GSC Services Platform



# About GridSmartCity

- Consortium of 18 partner LDCs
- Serving ~1,000,000 customers in 65 communities across Ontario
- More than \$3.48 Billion in assets
- Track record of bridging the need for innovation and infrastructure renewal, with the benefits of collaboration and cost efficiency
- 100%-member participation in developing the DSO Readiness Strategy



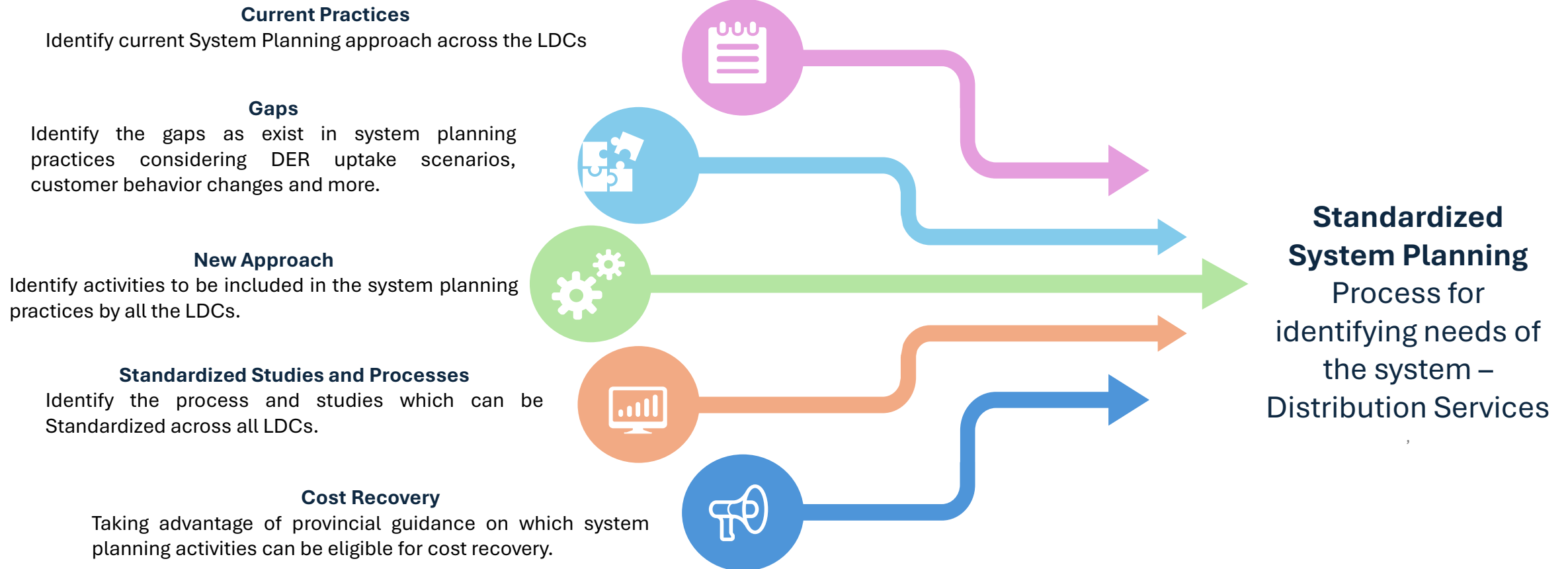
# Strategy Highlights

## *Major Highlights*

- The GSC DSO Readiness strategy report presents a **comprehensive view** of **the DSO models existing** and what the GSC **LDCs current state** is with respect to moving towards a DSO paradigm.
- Presents **assessment of current state** of LDCs with respect to the **9 required DSO functionalities** identified.
- Based on the gaps identified, the report highlights the **proposed phased approach** for transition from LDC current state to operational DSO paradigm.
- For phased approach, the report also highlights **actionable next steps** to progress **with indicative timelines** to go from **2025 to 2030+**
- One of the major recommendations is for GSC to have a **Common Services Platform for services transactions** and the report highlights the **rationale behind the recommendations** as well as the **functions of the GSC CSP platform**.

# Comprehensive System Planning

## *Evolving System Planning Approach*



# Proposed Services Setup

*The ideal DSO Model is flexible to evolve, provides standardization across various LDCs, and is cost effective*

Market

IESO

Analyze Bids

Dispatch  
signal

Settlement

Local Distribution

LDC 1

LDC 2

LDC N

- Distribution Constraints
- Non-Wires Solutions Parameters
- Locational Value of DER
- Forecast

Post Service

Define  
Services

Submit Bids

Select  
Aggregator

Data Analytics

Data  
Collection

Distribution  
Constraints

Override  
Controls

DER Control

Dispatch  
Decision

Enrollment &  
Registration

Verification  
Settlement

Aggregator 1

DER 1

Aggregator N

**GSC Common Service Platform**

# Primary Functions

## Data Collection, Measurement & Verification, Settlement Support

- The platform should be capable of **facilitating data collection and exchange** between the DSO framework entities, namely **IESO, LDC and DER Aggregators**.
- The platform should be capable of **facilitating measurement verification and settlement between LDC and DERA**. The individual settlement of DERs will be done by the DERAs.
- The **data for distribution services requested and provided** should be **easily accessible to all the parties** involved through the platform.

## DER Aggregation & Dispatch Coordination

- The platform should **registration of DERAs as service providers** and support **selection of DERAs for Distribution or Market services** once they bid for an opportunity.
- The platform should provide capability to **the LDCs as well as IESO to send dispatch instructions to the selected DERAs**. The device level plan for individual DERs remains a responsibility of DERAs.
- The platform should **support multiple communication protocols** for all the data and control signal exchange.

## Distribution Services Coordination

- The platform should be capable of **facilitating services and transactions end to end**. It should allow LDCs to **post services, allow the process of bidding and contract execution with the DERAs**.
- The platform should **provide easy access to data** for all the parties to ensure a **transparent and fair bidding and selection process**.
- The platform should be capable of programming Dynamic Operating Envelops as well as Override Control as and when needed to maintain distribution system reliability.

# Primary Functions

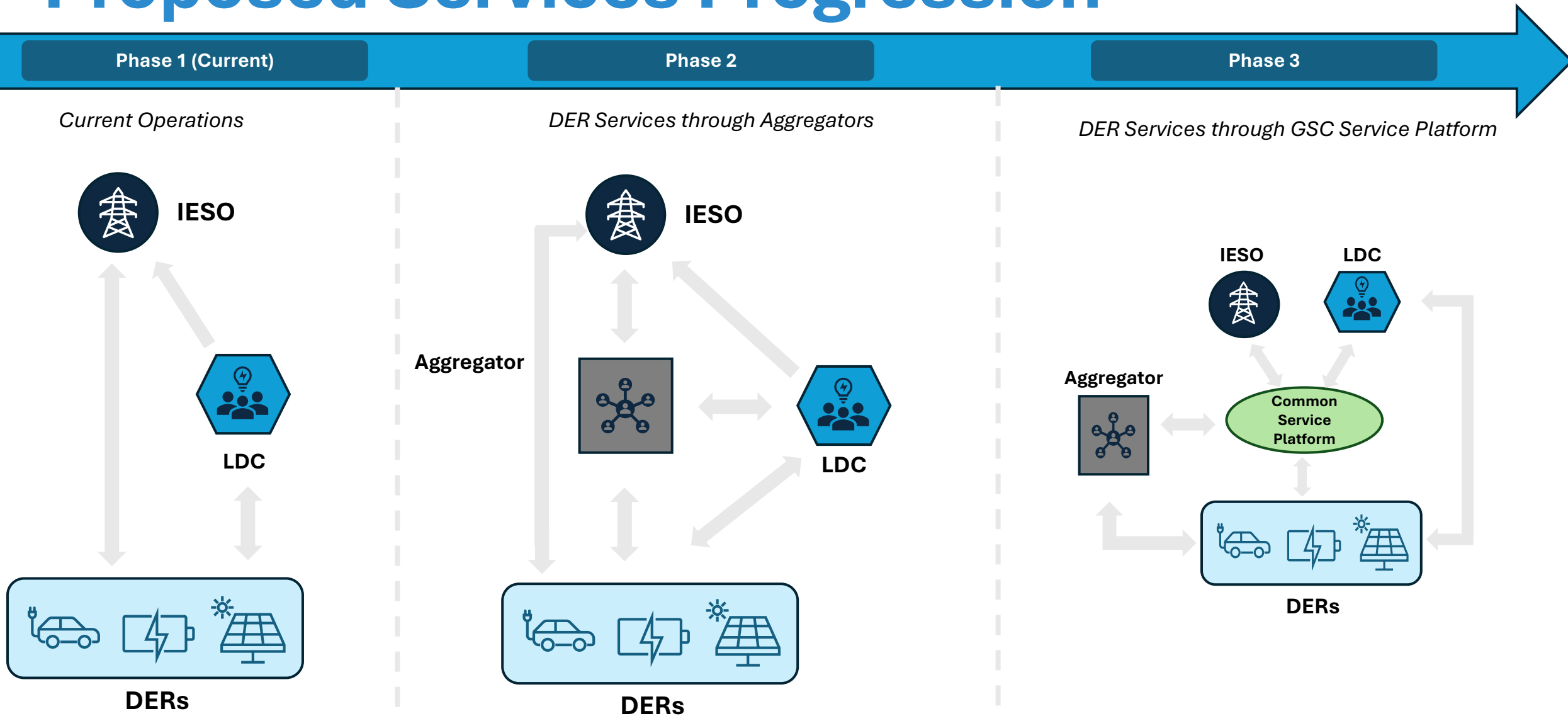
## Market Service Facilitation

- The platform should **support control room communication protocols** to support **a two-way data exchange between IESO and GSC DSO (LDCs)** providing information as requested by IESO **in the required frequency and timeframes**.
- The platform should be able to **communicate and distribution constraints as well as any override controls** issued by GSC DSO to maintain distribution reliability.
- The platform will have capability **to adapt to the evolving provincial market rules**.

## Interoperability & Accessibility

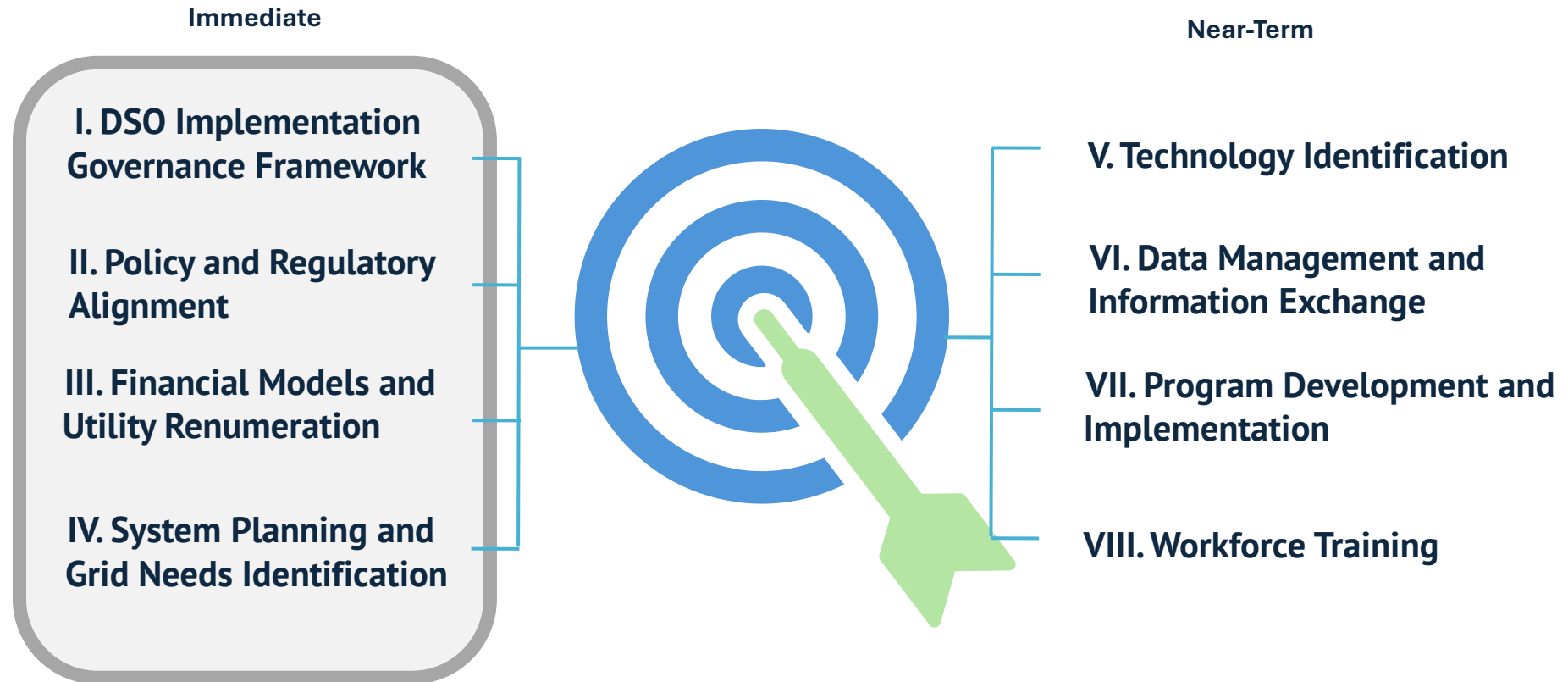
- The platform should **support wide range of data exchange mechanisms, communication protocols, etc. to ensure interoperability** with existing LDC systems as needed.
- The platform should provide **simple and intuitive interfaces** for LDCs, DERAs as well as IESO to connect and communicate with the platform.
- The platform should have the **capability of scaling up** so that the LDCs can join as and when they are ready to explore DER Distribution services as well if the GSC has new member LDCs in the future,

# Proposed Services Progression



# Near-Term Focus: Governance Framework

*GSC Proposes 8 focus areas to advance in 2025*



# Spotlight: Financial Analysis

## Major Questions and Considerations

- Identify how to ***fund and capitalize*** the DSO related investments.
- ***Differentiate*** LDC operational as well as DSO specific investments to pursue targeted regulatory approvals remuneration models.
- Identify elements eligible for ***cost recovery***, for example system planning efforts for identifying NWS.
- Identify ***compensation mechanism and frameworks*** for distribution services and underlying studies required to frame the fair compensation.
- ***Identify the appropriate stakeholders*** to develop a standardized and robust financial model



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