

July 22, 2025

Ontario Energy Board
ATTN: Ritchie Murray
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

Via Email: DSOcapabilities@oeb.ca

Subject: Distribution System Operator Capabilities – Stakeholder Consultation (EB-2025-0060)

On behalf of GridSmartCity (GSC), we appreciate the opportunity to provide written feedback to the Ontario's Energy Board's (OEB) Distribution System Operator (DSO) capabilities stakeholder consultation.

GridSmartCity is a consortium of 18 local distribution companies (LDCs), and 22 partner organizations. Collectively, these LDCs manage over \$3.64 billion in assets and deliver electricity to approximately 1 million customers in more than 60 communities across the province. Our purpose is to continuously increase value through a collaborative framework that reflects the importance of local community. Since 2009, we have worked to lead sector innovation synergistically and will continue to deliver on this mandate as we seek to prepare Ontario's electricity grid for the future.

Please accept our enclosed GSC DSO Readiness Strategy, defining the pathway to transform our members collective networks into an integrated, intelligent, and customer-driven system. Developed over two years with the help of technical experts, the plan enables a phased rollout towards a common services platform aligned with existing policy initiatives.

With the active participation of all GridSmartCity LDC members, the GSC DSO Readiness Strategy is designed to integrate seamlessly with the work underway by the OEB, Independent Electricity System Operator (IESO), and the Ministry of Energy and Mines. By aligning with broader provincial goals around decarbonization, electrification, and grid modernization, the GSC DSO Readiness Strategy ensures that the distribution system is moving towards a modernized grid while always maintaining customer value and reliability standards.

GridSmartCity is ready and eager to collaborate with the OEB as part of this consultation to unlock new efficiencies and support of the grid of the future.

Sincerely,



Art Skidmore
President, GridSmartCity & GridSmartCity Cooperative

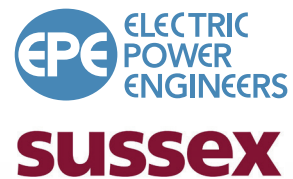
Encl: GSC DSO Readiness Strategy, May 2025

May 2025



DSO Readiness Strategy Report

Prepared by:

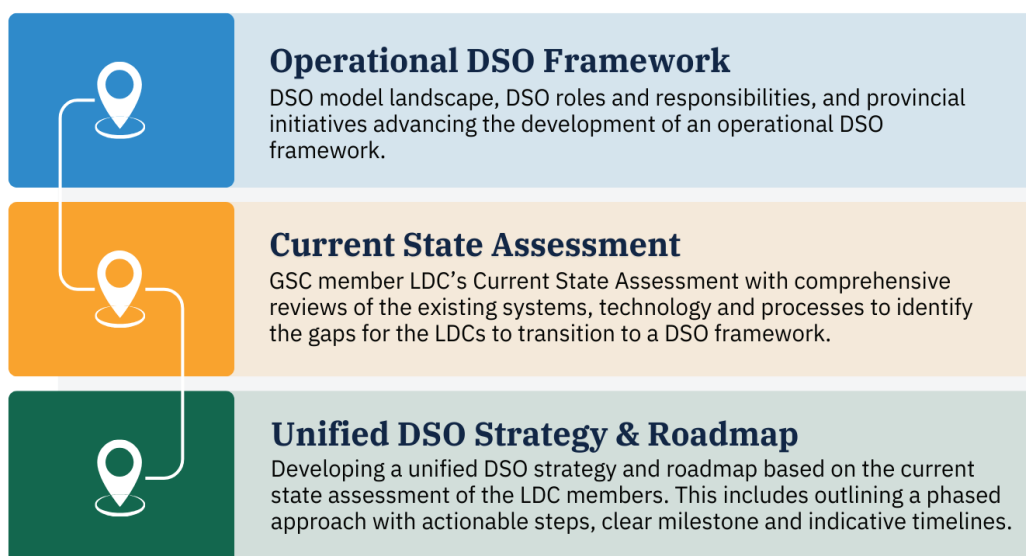


Overview

GridSmartCity (GSC) is a consortium of 18 partner LDCs, serving approximately 970,000 customers. With a focus on smart grid technologies and streamlined processes, GSC collaborates with its member LDCs to develop unified strategies for technology adoption and grid modernization. This collaboration informed the creation of a coordinated DSO Readiness Strategy that reflects both policy mandates and the practical realities of modern distribution systems.

To understand the readiness of each utility member for full-scale DSO transition, GSC conducted an in-depth assessment of current technologies, processes, workforce capabilities, and other key operational factors. This assessment revealed that most GSC member LDCs remain in the early stages of DER integration.

The GSC DSO Readiness Strategy was developed over the course of 2024 with active participation from 100% of GSC Utility Members and the support of Electric Power Engineers and Sussex Strategy Group. It examines several operational models and provides a clear path to transition to an advanced Distributed System Operator (DSO) paradigm. It is designed to align seamlessly with the work already underway by the system operator, energy regulator and Ministry of Energy. The GSC DSO Readiness Strategy leverages three-stages:

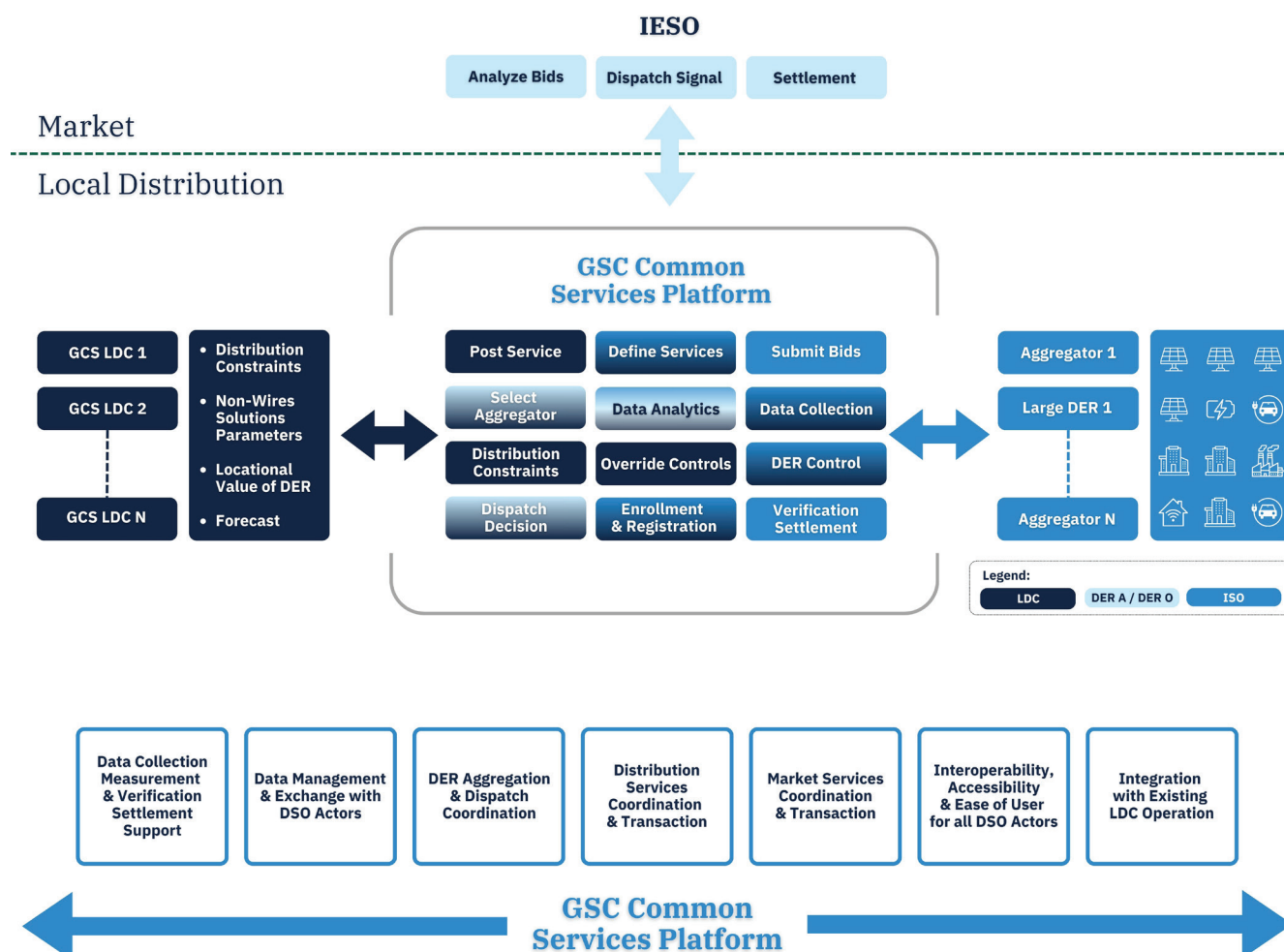


The following foundational principles align the strategy with policy trends, allow for favorable economics, and drive value for customers:



Common Services Platform

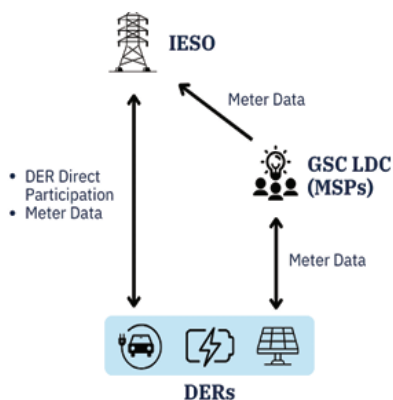
The GSC Common Services Platform will serve as an overlay system, providing essential DSO-related functionalities that all member LDCs can access through a standardized, secure interface. This platform will connect LDCs, IESO, DER Aggregators, and DER Operators with a common platform to set up markets, provide distribution and market services, and facilitate transactions seamlessly.



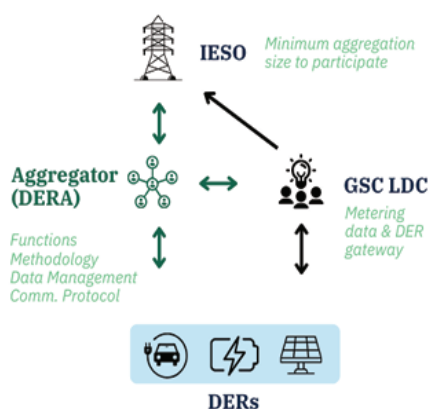
Rollout Strategy

Three phases will define the transition from current state to an operational DSO framework with the GSC Common Services Platform, as follows:

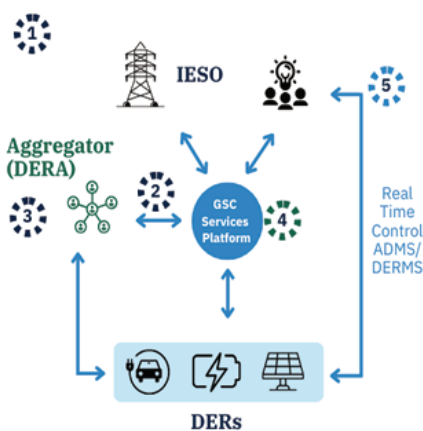
- PHASE 1**
Current Operations
No Dx Services
- 1 Establish Governance Framework & Focus Area
 - 2 Standardize Distribution Services Capabilities & Process
 - 3 Standardize DER Aggregation Capabilities



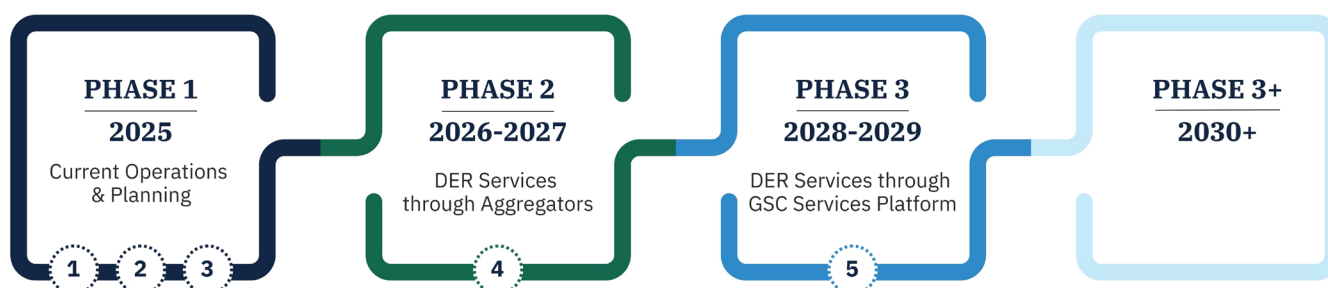
- PHASE 2**
DER Services through Aggregators
Procure & Implement GSC Common Service Platform
- 4



- PHASE 3**
DER Services through GSC Services Platform
Continuous Improvement, Including Developing DER Active Management Capabilities
- 5



Timeline



Phase 1

1 – Establish Governance Framework & Focus Areas

- Define funding mechanisms, cost recovery strategies, and compensation frameworks
- Streamlining to establish interoperability standards, and standardize data collection

2 – Standardize Distribution Service Capabilities & Processes

- Redefine system planning processes
- Time series forecasting to improve load and DER projections, NWA integration, locational value

3 – Standardize DER Aggregation Capabilities

- Functional and operational requirements for aggregators
- Service bidding, compliance with operational constraints, verification, dispatching, settlement

Phase 2

4 – Procure & Implement the GSC Common Services Platform

- Procure and implement the Common Services Platform
- Technical, functional and communication requirement workbook/guidance document

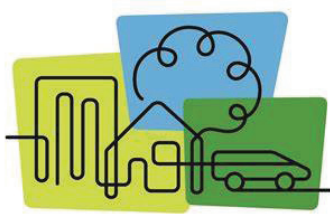
Phase 3

5 – Continuous Improvement & Develop Active DER Management Capabilities

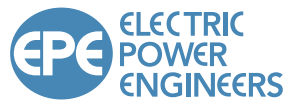
- Improve the operational capabilities
- Active DER management, real time DER control and grid constraint management, performance monitoring, smart inverter functions

Conclusion

Through a unified and forward-looking strategy, GridSmartCity is poised to lead its member LDCs toward a seamless DSO transition that is customizable, flexible, standardized, and cost-effective. By addressing current operational realities and anticipating future needs, this approach ensures that member LDCs can integrate DER's efficiently, modernize their processes, and prepare for evolving regulatory and market demands.



GridSmartCity®
renewing energy



sussex

