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## Participants Selected for Ontario Non-Wires Alternative Demonstration Project

By David Stevens

The York Region Non-Wires Alternative (NWA) Demonstration Project is aimed at developing a better understanding of how to competitively secure and operate distributed energy resources (DERs) to meet local, regional and provincial electricity needs. It is a “proof of concept” to test how procured resources could meet a portion of system demands in a test environment in southern York Region (an area that is expected to be resource constrained in the coming years). Recently, the IESO (which is working with Alectra Utilities, the local distributor in the test area) announced the successful bidders in a capacity auction to participate in the Demonstration Project. Collectively, the successful bidders have made a 10MW capacity obligation commitment.

The theory of a NWA project is that it can avoid or reduce infrastructure investments. Typically, where a community’s electricity needs increase, that will be met through new or increased transmission, distribution and large-scale generation infrastructure. It is now recognized, though, that DERs can meet some of the increased demand requirements by managing local peak demand and providing other services that can defer, reduce or avoid new traditional electricity infrastructure. Whether and how this can be done cost-effectively and reliably is an important consideration.

The Demonstration Project will operate in a “simulated, test environment that is isolated from the IESO market and system operations.” Alectra will act as the system operator, facilitating third-party competition to secure and dispatch participating DERs. The objectives of the Demonstration Project (see here) include exploring models of cooperation between the IESO and local distribution companies as transmission and distributor system operators, assessing the ability of different DERs to provide local capacity and energy services, and comparing the operational and reliability characteristics of those DERs to traditional solutions.

The Demonstration Project will run over the summer of 2021, with reporting to be provided afterwards.

### Author



**David Stevens**

Partner

T 416.865.7783

[dstevens@airdberlis.com](mailto:dstevens@airdberlis.com)

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