

Final Engagement Summary Report

Date: August 18, 2022

Enabling Resources Program

Engagement Initiated: February 2021

Engagement Description

In 2020, the IESO launched the Expanding Participation in Operating Reserve (OR) and Energy initiative (EPOR-E) to collaborate with stakeholders to gain a better, mutual understanding of the requirements, capabilities, and interest from various technology types to participate in the energy and OR markets. The EPOR-E report, published in January, 2021, documents the outcomes of the EPOR-E initiative, including analysis of current market participation requirements, participation models of the EPOR-E resource types/technologies, and identification of misalignments between the two.

At the November 2020 Stakeholder Advisory Committee (SAC) meeting, the IESO identified a need to revise its approach to engaging with stakeholders on enabling emerging and evolving resource types, to capture not just the EPOR-E research, but learnings from other forums such as the Energy Storage Advisory Group and Demand Response Working Group, and projects such as the Storage Design Project and the Distributed Energy Resources (DER) white paper series. This expanded engagement is the Enabling Resources Program.

The Enabling Resources Program (ERP) aimed to produce an integrated plan that outlines the sequencing, timing and scope of activities to be undertaken by the IESO to enable existing electricity resources to provide electricity system services in the renewed Ontario wholesale market that they cannot, or cannot fully, currently provide. The plan considers:

- The timing, quantity (MW), and capability, that would be made available by each enablement opportunity;
- The timing and magnitude of forecasted system needs;
- Potential interrelationships between enablement opportunities; and
- IESO capacity for additional initiatives.

Reflecting stakeholder input to avoid delaying progress on initial work with clear high-value opportunity areas, the IESO launched parallel engagements to support scoping of solutions on two

resource enablement opportunities: market integration of hybrid storage-generation resources and the DER Roadmap (with the Enabling Resources Program work plan to determine timeline for implementing solutions).

The Resource Adequacy framework is being developed to competitively acquire services to meet short-, mid-, and long-term electricity system needs in a way that effectively balances cost and risk, as well as ensuring implementation in time to address larger forecasted capacity needs. The Enabling Resources Program will support robust competition in the Resource Adequacy mechanisms to support the IESO's objective of cost-effective reliability.

Engagement Objective

The objective of this engagement was to ensure that stakeholders and communities understood the initiative and had the opportunity to provide input to inform the work plan.

The IESO sought feedback from stakeholders to develop an integrated work plan that outlines the sequencing, timing and scope of activities to be undertaken by the IESO to enable existing electricity resources to provide electricity system services that they cannot fully provide under current market design.

Engagement Approach

This stakeholder engagement was a public engagement process and was conducted in accordance with the IESO's approved [engagement principles](#). The approach for this engagement initiative included opportunities to provide input through various channels such as webinars and written feedback. All materials, public feedback and commentary from stakeholders, and IESO responses to feedback was posted on the dedicated IESO engagement webpage for this initiative.

Stakeholder engagement on the Enabling Resources Program was divided into three phases.

Phase One (Q2/Q3, 2021):

- Enabling Resources Program work plan engagement focused on determining the timing for when various resource enablement opportunities will be implemented
- Scoping and initial design work for resource enablement opportunities already identified as priorities for 2021 (Hybrid Integration Project and DER Roadmap)

Phase Two (Q3/Q4, 2021):

- Finalization of the Enabling Resources Program work plan
- Continuation of Hybrid Integration Project engagement
- Continuation of DER Roadmap engagement

Phase Three (beginning Q3/4, 2021):

- Launching of new engagements to support additional priority projects identified in the Enabling Resources Program work plan, including projects captured within the DER Roadmap

Conclusion

Stakeholders actively participated and provided feedback in Phase One of the engagement. Stakeholders such as Advanced Energy Management Alliance, Capital Power, The Consortium, Electricity Distributors Association, Energy Storage Canada, Hydro One, Ontario Power Generation and Power Workers Union were consistent participants in the discussion and feedback cycle.

Through a February, 2021 Stakeholder Advisory Committee (SAC) meeting, IESO gathered SAC member feedback on the proposed methodology for prioritizing projects. IESO then held a public engagement meeting in April, 2021 to share highest priority projects and timing needs and seek stakeholder feedback on draft conclusions. The ways in which IESO reflected stakeholder feedback in the ERP work plan include:

- Moving the work to address the opportunity for load aggregations to provide Operating Reserves under the high-priority DER Market Vision and Design Project
- Building time into the work plan to facilitate development and implementation of a functional Transmission-Distribution coordination framework with LDCs prior to the implementation of new wholesale market participation models for DER.
- The expedited approach taken with the Hybrid Integration Project to provide stakeholders with information on the foundational hybrid models as soon as possible to facilitate hybrid participation in the Long Term RFP

In a September, 2021 engagement meeting, IESO provided stakeholders with an update on the next steps of the draft Enabling Resources work plan, including details on continued progress on the priority enablement initiatives, Distributed Energy Resources and the Hybrid Integration Project.

The ERP engagement was concluded in December, 2021, when IESO presented the final Enabling Resources Work Plan, outlining the timing and scope of work it will undertake to further integrate emerging resources in the IESO-Administered Markets, including hybrid generation-storage, storage, and Distributed Energy Resources. IESO will report on work plan progress at the individual project / work stream level through project-specific engagements (e.g. Hybrid Integration Project, DER Market Vision and Design Project, and at the program-level, semi-annually at the Stakeholder Advisory Committee).

Thank you to all stakeholders for your participation. All materials will continue to be available on the IESO website under [Completed Engagements](#).