Feedback Form

Enabling Resources Program (ERP) - Storage and Co-located Hybrid Integration Project

Phase 2 - Regulation Service Design

Meeting Date: October 15, 2026

Feedback Provided by:

Name: Linda Heron

Title: Chair

Organization: Ontario Rivers Alliance

Email: [redacted]

Date: 30 October 2026

Following the **October 15** session, the Independent Electricity System Operator (IESO) is seeking feedback on the items discussed during the webinar. The presentation and recording can be accessed from the engagement web page.

Please submit feedback to engagement@ieso.ca by **October 30, 2026**. If you wish to provide confidential feedback, please submit it as a separate document, marked "**Confidential**." Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Stakeholder Feedback:

Feedback Question	External Feedback
Please provide feedback on this session and any input on the engagement process for future sessions.	The Ontario Rivers Alliance (ORA) could not attend the 15 October session and has relied on the presentation and the Design Memo. Six Independent Electricity System Operator (IESO) engagements held between 14 and 16 October 2026 share the same comment deadline of 30 October. That is a heavy load for public-interest organizations, and it limits the voices the IESO hears (Section 5 and Recommendation 9, under General Comments).
Please provide feedback on the eligibility requirements.	ORA supports letting batteries connected to the transmission grid provide regulation service. ORA also asks the IESO to set a timeline for batteries connected to local distribution systems, which this project leaves out (Recommendation 2, under General Comments).
Please provide general feedback on the participation model.	ORA supports the participation model. Letting a battery provide energy, operating reserve and regulation at the same time makes full use of capacity that ratepayers have already contracted for (Section 1, under General Comments).
Please provide feedback on the energy reservation approach of the participation model.	ORA defers to battery operators on the technical details of the energy reservation. ORA notes that the design plans openly for the limits of a battery's stored energy, which is the right approach for any energy-limited resource.

Feedback Question	External Feedback
Please provide feedback on enabling simultaneous regulation service and operating reserve participation for all resources.	ORA supports this change for all resource types, provided every resource that provides regulation is held to the same performance standard (Section 2 and Recommendation 4, under General Comments).
Please provide feedback on the resource selection process of the participation model.	ORA supports a reliability-based selection for now. Offers of regulation will soon far exceed the need, and once they do, cost should also count so that ratepayers pay no more than they must (Section 1 and Recommendation 3, under General Comments).
Please provide feedback on the performance evaluation.	ORA supports the monthly performance factor. It should apply to every resource that provides regulation, whatever its technology, and the results should be published (Section 2 and Recommendations 4 and 5, under General Comments).

General Comments/Feedback

The Ontario Rivers Alliance (ORA) is a grassroots not-for-profit organization with a mission to protect, conserve and restore Ontario rivers. We speak for the people who live on them, fish them, paddle them and pay for the power taken from them.

ORA supports the proposal to let batteries provide regulation service. ORA asks that every resource that provides regulation be measured the same way, and that the public be told who provides it, how well they perform, and at what price.

1. Batteries can do the grid's fastest balancing job:

Electricity supply and demand must match at every moment. Regulation service is the fine adjustment that keeps them matched, second by second, and holds the grid's frequency "*as close to 60 Hz*" as possible.[1] The Independent Electricity System Operator (IESO) sends each regulation provider a new instruction, called a setpoint, every four seconds.[1] Today, regulation is provided by "*generation facilities with AGC capability*", meaning plants fitted with automatic generation control, the equipment that lets the IESO adjust their output remotely.[2]

The need is growing. The IESO forecasts that the minimum regulation requirement will "*double to approximately 200 MW by 2030*".[1] Its 2026 Annual Planning Outlook found an added need of 30 megawatts (MW) beginning in 2027, growing to as much as 110 MW by 2034.[1]

Batteries are arriving to meet it. The IESO expects about 3,000 MW of contracted storage to be in service by 2028.[1] That is about 15 times the whole regulation requirement forecast for 2030. The IESO proposes to lift the 100 MW per minute ramp limit on batteries while they provide regulation, so that their full speed can be used to keep the grid in balance.[2]

This matters beyond this engagement. Waterpower Canada promotes hydroelectricity as "*flexible baseload electricity generation*".[3] In this design, the IESO shows that batteries can do the most flexible job on the grid, and that there will soon be far more of them than the job requires.

ORA Recommendation 1: That the IESO adopt the proposed design allowing batteries to provide regulation service.

ORA Recommendation 2: That the IESO publish a timeline for allowing batteries connected to local distribution systems to provide regulation service.

With batteries in the market, offers of regulation will exceed what the grid needs. The IESO proposes to choose among them on reliability alone for now, and says that cost-based selection "*will continue to be investigated*" and that the need for it "*would grow as the available regulation capacity grows*".[2]

ORA Recommendation 3: That the IESO set a date for deciding whether cost will be added to the selection of regulation resources.

2. One standard for every regulation provider:

The IESO proposes to score each battery every month on how closely it follows its setpoints. The score, called a performance factor, is 100 percent minus the average error.[1] If a resource underperforms, "*the contracted regulation capacity and the ramp rates could be adjusted to align with observed performance*".[1] ORA supports this.

The Design Memo, however, states that it "*does not change the participation model for other resource types*".[2] It does not say clearly whether the generators that provide regulation today will be scored the same way. ORA made the same point in its comments on Capacity Auction Enhancements: the accountability asked of new resources should apply equally to established ones.

ORA Recommendation 4: That the IESO apply the monthly performance factor to every resource that provides regulation service, whatever its technology.

ORA Recommendation 5: That the IESO publish each year the average performance factor for each type of resource that provides regulation service.

3. The public should see who provides regulation, and at what price:

The IESO's engagement principles promise that its work will be "*Traceable – Allow everyone to follow the path that is being taken*" and "*Transparent – Show how engagement helped shape the final outcome*".[1] The Design Memo's own transparency principle is narrower. It promises that information

will be "*available and accessible to MPs*", meaning market participants.[2] Ratepayers pay for regulation, and they should be able to see it too.

Today the IESO publishes, once a year, the number of regulation facilities, the quantity of service and the total amount paid.[2] For future competitive procurements, it proposes to disclose the supplier, facility and quantity, and "*possibly price*".[2] Price should not be optional. Without it, no one outside the IESO can tell whether ratepayers are getting value.

ORA Recommendation 6: That the IESO publish the price of every regulation service contract, whether negotiated bilaterally or awarded through a competitive procurement.

ORA Recommendation 7: That the IESO publish the type of resource, such as hydroelectric, gas-fired or battery, of each facility that provides regulation service today.

4. Payment rules must not reward holding capacity back:

The IESO has put off the payment rules for this design until early 2027. They will include make-whole payments, which top up a resource's earnings when following the IESO's schedule would cost it money, and rules for "*Market Power Mitigation*", which stop a resource from manipulating prices or supply.[2] The Design Memo warns that keeping enough charge in reserve for regulation "*can force uneconomic charging or discharging*".[2]

These questions are already in dispute. At the IESO's 14 October webinar on make-whole payments for energy-limited resources, battery operators objected to the proposed rules, and the IESO told them to bring their concerns to the Enabling Resources Program.[4] One operator warned that the starting state of charge a battery reports, which is an estimate rather than a measured amount, could be used to avoid uneconomic schedules, in effect holding capacity back.[4]

ORA supports battery storage. A battery that ratepayers pay to stand ready should be available when called, and the payment rules should never make it profitable to report otherwise.

ORA Recommendation 8: That the settlement design to be presented in 2027 include market power mitigation rules that prevent any resource from withholding capacity by misreporting its state of charge or other operating limits.

5. Give the public time to take part:

Six IESO engagements held between 14 and 16 October share the same comment deadline of 30 October. Market participants have staff paid to follow these files. Public-interest groups and ratepayers do not. Stacking deadlines narrows the range of voices the IESO hears, which works against its own principle of being "*Inclusive – Invite many voices and diverse perspectives to the table*".[1]

ORA Recommendation 9: That the IESO stagger the comment deadlines of engagements held in the same week.

Conclusion:

Batteries can now do the grid's most demanding balancing work, and ratepayers have already contracted for thousands of megawatts of them. ORA asks the IESO to let them do it, to hold every

provider to the same standard, and to let the public see who is paid, how well they deliver, and at what price.

Respectfully submitted,

Linda Heron
Chair, Ontario Rivers Alliance
[redacted]

Endnotes:

1. Independent Electricity System Operator, Enabling Resources Program, Storage and Co-located Hybrid Integration Project, Phase 2 Regulation Service Design, engagement presentation, 15 October 2026, slides 4, 12, 13, 14, 32 and 36. https://ieso.ca/-/media/Files/IESO/Document-Library/engage/erp/ERP-SHIP2-20261015-Presentation.pdf
2. Independent Electricity System Operator, Enabling Resources Program: Storage and Co-located Hybrid Integration Project, Regulation Service Design, Memo 1.0, 15 October 2026, pages 4, 5, 7, 9 and 11. https://ieso.ca/-/media/Files/IESO/Document-Library/engage/erp/ERP-SHIP2-20261015-Design-Memo-1.pdf
3. Waterpower Canada, Hydropower in Canada, web page, accessed 27 August 2026. https://waterpowercanada.ca/learn/hydropower-in-canada/
4. Independent Electricity System Operator, Make-Whole Payments for Energy-Limited Resources, engagement webinar, 14 October 2026 (recording). https://youtu.be/mdclMB_0jUY?si=FN-6ob_btykAvvqn