IESO Engagement

From: Heather Sears

Sent: December 16, 2021 3:58 PM

To: IESO Engagement Cc: Jennifer Jayapalan

Subject: Hybrid Engagement Project Comment

Hi Engagement Team,

First, great job today and this week. Clearly it is a difficult time with pressures from all angles to identify and solve all of the sector's issues in an immediate fashion with limited resources while making everyone happy. I don't envy the task(s)!

In the Hybrid Engagement Project session this afternoon, I made a comment that I'm not sure was clearly expressed. I'd like to clarify just in case the answer is easy and we can take it up directly. If it's not, I'll put it in the official feedback form.

In the Foundational Model #1 – Co-Located Hybrid, IESO is building on the existing dispatchable generator and the interim storage resource models. This Foundational Model will be considered as an operational model in the post-market renewal environment, and will be included as an eligible resource type for the LT-RFP. The LT-RFP stakeholdering and design will happen through 2022, with contracts offered in 2023 for market integration/operation in May 2029 for a 7-10 year contract. If those timelines are accurate and enduring, a design resolution to both the hybrid integration and the LT-RFP in 2022 may have implications through 2039. We do not want the interim in interim storage design to mean 20 years!

The current Interim Storage Design is flawed, and creates challenges and restrictions to flexible operation of energy storage resources. There are not many IESO dispatchable storage facilities that currently operate with two resources, but those that are active are challenged by the limitations of the model. I believe those challenges are well documented and have been part of the scope of engagement with the storage community thus far. We would be happy to engage with IESO to discuss this in detail if required.

The concern here is that by building one of the foundational models for hybrid resources on the interim storage design, the IESO may introduce hurdles in the path of transitioning from that interim design to a working and workable final storage design. We are looking for assurances that work on finalizing the storage design is neither ignored nor handcuffed by new participation models being locked into the interim design.

Hopefully, IESO can confidently say "progress on transitioning from the interim to a final storage design will not be impeded by the hybrid integration project's foundational model".

Heather

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