

January 14, 2022

Independent Electricity System Operator
120 Adelaide St W #1600
Toronto, ON
M5H 1T1

Attn: Mr. D. Doyle
Ms. J. Tang

Dear Mr. Doyle and Ms. Tang

Re: Integration of Storage Design in MRP

Ontario's local distribution companies (LDCs) and their customers are increasingly interested in deploying energy storage. LDCs also acknowledge that there will be future opportunities for the development of new distribution-connected energy storage that may participate in IESO markets.

These are the Electricity Distributors Association's (EDA) comments on the Independent Electricity System Operator's (IESO) December 15, 2021, stakeholder engagement webinar on the Market Renewal Program (MRP) and the integration of the Interim Storage Design. In that webinar the IESO commenced its consultation on the required changes to its Interim Storage Design that will facilitate aligning it with the overall implementation of the MRP. As was outlined during the webinar on December 15, the IESO proposes three changes:

- to treat the "load side" of a self-scheduling energy storage facility as a price responsive load, rather than as a non-dispatchable load
- to treat storage facilities in the same manner as all other market participants (i.e., at the resource-level) for the purposes of calculating prudential support obligations
- to encourage dispatchable energy storage facilities to submit their maximum daily energy limit in the IESO's day-ahead market processes, rather than to permit voluntary submissions.

Presently, there is no single document that outlines energy storage market participation requirements post-MRP implementation; this creates a risk of proponent confusion. Accordingly, we recommend that the IESO:

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- publish a complete, stand-alone package of its Interim Storage Design that will be capable of serving as a stakeholder and market participant reference. This package should be provided to interested parties as soon as possible so that resource developers can both understand the storage operations and requirements of the MRP market and be well prepared to participate in pending IESO procurements (e.g., capacity auctions and requests for proposals (RFPs))
- provide worked examples of energy storage facilities market operations post-MRP implementation for stakeholders to review and provide comment. We suggest that examples depicting the participation of dispatchable energy storage facilities (including those that may have a capacity auction obligation, or other capacity commitment(s) per future RFPs) and of self-scheduling energy storage facilities be provided
- publish its revised MRP Detail Design documents that will serve as the updated 'blueprint' for MRP implementation (e.g., drafting of market rules and manuals)
- provide a schedule of the public posting of draft changes to market rules and market manuals related to the post-MRP implementation Interim Design.

We foresee that our members and their customers will benefit from the implementation of the above recommendations, as they will provide a common understanding of energy storage market participation requirements for all participants.

Should you have any questions on these submissions or require any clarification please do not hesitate to contact Kathi Farmer, Senior Regulatory Affairs Advisor, at [REDACTED] or [REDACTED]. We thank you for your consideration and look forward to the IESO's next steps.

Sincerely,



Teresa Sarkesian
President and Chief Executive Officer