

# Feedback Form

## Long-Term RFP – August 10, 2022

### Feedback Provided by:

Name: Jason Rioux

Title: Chief Development Officer

Organization: NRStor Incorporated

Email: [REDACTED]

Date: Aug 22, 2022

Following the August 10<sup>th</sup> public webinar on the Long-Term RFP, the Independent Electricity System Operator (IESO) is seeking feedback from participants on: the LT1 RFP design and key updates presented in the meeting, Contract Design, Upgrades, and the Deliverability Test Guidance Document.

The referenced presentation can be found on the [Long-Term RFP webpage](#).

**Please provide feedback by August 22, 2022 to [engagement@ieso.ca](mailto:engagement@ieso.ca).**

Please use subject header: **Long-Term RFP**. To promote transparency, this feedback will be posted on the [Long-Term RFP webpage](#) unless otherwise requested by the sender.

The IESO will work to consider and incorporate comments as appropriate and post responses on the webpage.

Thank you for your contribution.

## LT1 RFP Design and Key Updates

Topic	Feedback
<p>Please provide any general feedback on the LT1 RFP design and the key updates provided by IESO in the meeting.</p>	<p><b>Rated Criteria</b> – We are supportive of rated criteria with respect to location, Indigenous participation, and municipal support. We continue to question the weighting of points allocated to duration of service. While a subset of energy storage may be long-duration (i.e., pumped storage), it is expected that the majority of energy storage projects will be battery storage. The IESO has not made planning criteria available to demonstrate the need for a significant amount longer-duration, and the weighting of points should reflect the need. Further, the IESO should ensure that any points awarded for long-duration resources demonstrate their capabilities with evidence. For example, are gas-fired generators required to show firm contracts for gas supply?</p> <p>In support of comments provided by Indigenous proponents during the webinar, we recommend that Indigenous support for projects be considered as a rated criteria in addition to Indigenous participation. Each Indigenous community has unique circumstances and varying desires regarding project participation; a community may not desire to have a large economic interest in a project but may be supportive and benefit from the project through other mechanisms.</p> <p>Further, we recommend that weight be given to technologies that are non-emitting. Given the incoming Federal Clean Energy Regulation and Net Zero 2035 targets, not to mention Ontario’s own GHG reduction goals, we submit that all IESO procurements include rated criteria in pursuit of those objectives.</p> <p><b>Diversification</b> - We acknowledge the benefits of establishing a separate procurement for battery storage, with separate storage contracts. We believe this will enable a more cost-effective and desirable outcome, with unique nature of energy storage being considered. We look forward to more information with respect to the storage stream, and an opportunity to comment on the design of this.</p>

## Proposed Contract Design

Topic	Feedback
Please provide any feedback on the contract design and provisions proposed by the IESO.	<p><b>Contract Design</b> – We are very supportive of the IESO’s proposal to establish a storage specific contract. We recommend building on past contracts that have effectively enabled the development of contracted storage in Ontario.</p> <p><b>Spread Adjustment for Electricity Storage Facilities</b> – We are encouraged by the proposal to implement an adjustment based on arbitrage opportunities based on average price spread. We look forward to more details on this proposed mechanism.</p> <p><b>Regulatory Charge Credit for Electricity Storage</b> – We are also encouraged by the IESO’s proposal for a regulatory charge credit, including GA reimbursement.</p> <p><b>Environmental Attributes</b> – We look forward to more details on this aspect of the contract design. The sooner we understand the mechanism, the sooner these factors can be accounted for within proposals.</p> <p><b>Indexing</b> – We agree with the IESO’s assessment that indexing is warranted, and we look forward to greater detail from the IESO.</p>

## Proposed Upgrades Process

Topic	Feedback
Please provide any feedback on the proposed design and other considerations with respect to the Same Technology Upgrades procurement process.	This procurement stream does not appear to enable energy storage given the requirement for 8-hour duration.

## Deliverability Test Guidance Document

Topic	Feedback
Please provide any feedback on the Deliverability Test Guidance Document and associated form.	

## General Comments/Feedback

Overall, we are supportive of the IESO's decision to establish a distinct path for energy storage, with its own contract form and stream. The RFQ has clearly demonstrated that energy storage will be predominate in the next IESO procurement. We look forward to reviewing more details associated with the RFP and contract.