

Feedback Form

Resource Adequacy – October 21, 2021

Feedback Provided by:

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Date: November 12, 2021

To promote transparency, feedback submitted will be posted on the Resource Adequacy webpage unless otherwise requested by the sender.

Following the October 21, 2021 Resource Adequacy webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following discussed items including the Capacity Auction, Medium and Long Term RFP. Background information related to these feedback requests can be found in the presentation, which can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by November 12, 2021. If you wish to provide confidential feedback, please mark the document "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Capacity Auction

| Topic | Feedback |
|---|--|
| Introduction | No comment |
| Enhancement #1: Capacity Qualification | No comment |
| Enhancement #2 Performance Assessment Modifications | No comment |
| Enhancement #3 Expand Participation to Generator-Backed Capacity Imports | With respect to generation-backed capacity imports; how is the IESO ensuring fair and equal treatment for carbon pricing and emissions output thresholds for neighbouring jurisdictions within the capacity offer price? |
| Other General Comments or feedback on the 2022 Capacity Auction Enhancements Design Document | The timeline presented on slide 34 suggests the IESO will publish 1st draft Market Rules and Market Manuals for the Capacity Auction Enhancements between December 15th and December 17th. ESC is concerned that the IESO will be seeking feedback over the holiday break. The Ontario Energy Board (OEB) announced on November 1st a Holiday Timeout from December 18th to January 8th (https://www.oeb.ca/industry/applications-oeb/performance-standards-processing-applications#protocol) that will halt regulatory proceedings during the break. ESC requests that the IESO provide greater clarity on when they will be seeking stakeholder feedback and how the holiday break will be considered. |

Medium Term RFP

| Topic | Feedback |
|--|---|
| Feedback on the draft schedule | If the IESO intends to continue to restrict eligibility to only existing resources ESC recommends shortening the timelines since limited development time is needed for each resource. A proposal submission deadline of March 31st, 2022, is likely appropriate. |
| Feedback on the extension to the commitment term | No comment |

| Topic | Feedback |
|-------------------------------|---|
| General comments and feedback | <p>ESC continues to believe that the IESO should expand eligibility requirements for the Medium-Term RFP to allow new or upgraded energy storage resources to participate. Energy storage resources are being deployed in many jurisdictions to meet resource adequacy needs and climate change policy objectives. Specifically in Ontario, there is a large number of existing renewable generators that could be paired with energy storage to provide valuable capacity to Ontario. ESC believes enabling energy storage is critical to cost-effectively meeting Ontario's system needs. ESC requests that the IESO commit to publishing the award prices for each successful participant in the Medium-Term RFP. A similar approach has been taken by NYSERDA to ensure transparency and fair access to market intelligence. The published price also provides a benchmark for other participants to strive for in future competitive procurements. Retaining confidentiality of award prices only benefits the proponent and has a negative impact on ratepayers who deserve to know the cost of their commitments through IESO contracts.</p> |

Long Term RFP

| Topic | Feedback |
|-------------------------------|---|
| General comments and feedback | <p>With respect to the UCAP methodology, ESC is concerned that the IESO will continue to make unilateral decisions on resource capability without publishing their analysis & assumptions in a transparent and fair manner. ESC respectfully requests that the IESO commit to publishing their analysis and conclusions for UCAP. For example, IESO claims that UCAP is a best practice but has provided no analysis or market assessment to support that claim. Other approaches such as penalties, claw backs, or pricing adjustments have been used in other jurisdictions successfully.</p> |

General Resource Adequacy Comments/Feedback

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