

# Energy Storage Design Project – Feedback Form

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**Feedback Provided By:**

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Following the October 28, 2019 Energy Storage Advisory Group (ESAG) meeting to discuss the Energy Storage Design Project, the IESO is seeking feedback from participants on the draft engagement plan and on the appropriateness of the design questions. The IESO will work to consider feedback and incorporate comments as appropriate and post responses on the engagement webpage.

The IESO is also seeking feedback on the Capacity Auction draft design document. Comments will be considered for the final design document which will be published in early December.

The ESAG presentation, draft engagement plan and matrix of design questions can be found under the October 28, 2019 entry on the [ESAG webpage](#).

**Please provide feedback by November 15, 2019 to [engagement@ieso.ca](mailto:engagement@ieso.ca).** Please use subject: *Feedback: Energy Storage Design Project*. To promote transparency, this feedback will be posted on the [ESAG webpage](#) unless otherwise requested by the sender.

Thank you for your time.

Topic	Question	Feedback
Storage Design Questions	Are the storage design questions appropriate to capture the necessary design elements for the storage design project? Please specify which design question you are providing feedback on.	The questions capture the concerns raised by market participants and touch on the barriers identified in the December 2018 report.
	Are there additional questions that would be necessary to determine how energy storage resources would be enabled to participate in IESO administered markets?	
Engagement Plan	Are there any changes you would propose to the draft engagement plan and engagement schedule? If so, please outline the rationale as to why.	The draft engagement plan stages advance the ability for storage participation in a structured method but the proposed timelines should be advanced with storage included in the Market Renewal Project as opposed to post MRP implementation.
Capacity Auction	Does the June 2020 Capacity Auction design propose any concerns/barriers for your resource to participate? These may be considered for future capacity auctions, as appropriate	As identified in the October 28 <sup>th</sup> presentation, storage resources participating in the auction must be dispatchable which eliminates the ability for the resource to also provide regulation service. The Storage Design Project does lay out a plan to eliminate this barrier but these changes appear to be scheduled too late for some resources that will have to choose whether to participate in the auction or provide regulation.
	Are there any specific capacity design elements that would prevent a successful auction from taking place or a particular	

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	resource from meeting a capacity obligation?	
	Is the availability performance assessment clear and understandable?	
	Is there anything that has not been addressed that should be?	

**General Comments/Feedback:**

Energy Storage Canada appreciates the opportunity to provide feedback on this project and looks forward to advancing the removal of the barriers currently restricting Storage resources participation in the IESO Adminstered Market (IAM). The Project proposes design elements that would promote the investment in Storage within IAM. If these modifications were advanced, investment in Storage could meet a significant portion of the forecasted capacity shortfall. Delaying the benefits of the project until after MRP implementation (March 2023) extends Storage’s revenue uncertainty to a point which would restrict a facility to be designed, built and commissioned that might help meet the initial capacity shortfall. While it is anticipated the price of Storage will continue to drop the current market barriers may be too much to promote new investment in wholesale Storage facilities.