

Feedback Form

Resource Adequacy Engagement webinar – November 18, 2020

Feedback Provided by:

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Following the November 18, 2020 Resource Adequacy engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following items discussed during the webinar. 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 December 9, 2020. If you wish to provide confidential feedback, please submit as a separate document, marked "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Feedback on Key Resource Adequacy Discussion Areas

Topic	Feedback
<p>Will the key discussion areas proposed cover the major areas that need to be discussed with stakeholders to develop and operationalize the framework? Are there any major areas missing?</p>	<p>ESC is supportive, in principle, of the major discussion areas and themes presented on Slide 25, i.e., general framework details, acquisition target setting, planning considerations, and transition.</p> <p>In addition to the topics listed, we suggest the following with respect to "Planning Considerations":</p> <ul style="list-style-type: none"> • Discussion of approaches to align framework with local and regional planning <p>In addition to topics listed, we suggest the following with respect to "Transition":</p> <ul style="list-style-type: none"> • Discussion of implications of proposed future changes to the IESO-Administered to remove barriers to participation (i.e., long-term storage design vision, EPOR-E, etc.)

Topic	Feedback
<p>Are there key discussion areas that should be prioritized or discussed before others?</p>	<p>ESC is of the view that each of proposed discussion areas are important and recognizes the difficulty in prioritizing one topic over another. However, for the purposes of advancing the discussion in early 2021, we suggest that "General Framework Details" are a first priority, followed closely by "Transition". We assert that it is imperative to provide clarity to the market and investors on the overarching approach as soon as possible. For example, the current Capacity Auction does not enable participation from new energy storage resources; therefore, the Resource Adequacy framework should specific timeframes for when new resources would be eligible to participate in Capacity Auctions and other competitive procurements.</p>

General Comments/Feedback

ESC commends the IESO on the steps it has taken to date to develop the proposed high-level framework. As demonstrated in our recent paper, "Unlocking Potential: An Economic Valuation of Energy Storage in Ontario", energy storage can provide immediate benefit to Ontario's electricity sector, however, there are a number of limitations preventing the realization of these benefits. Given

the inability to fully integrate energy storage within the market, we recommend that IESO remain open to contracting for the full suite of services energy storage can deliver.

For example, we are encouraged by the IESO's presentation on November 26th which indicated that energy storage is under consideration to meet emerging electricity needs per the West of London Bulk Study. Contracting for services from energy storage to meet needs identified would help to ensure local needs are met cost-effectively, while also supporting broader resource adequacy of the provincial system.