

April 1, 2020

Mr. Peter Gregg
President & CEO
IESO
1600-120 Adelaide Street West
Toronto, ON M5H 1T1

Dear Peter;

First, I hope this letter finds you and your team safe. We are experiencing historic times but are confident we will emerge on the other side of this as a stronger, more resilient Ontario.

Energy Storage Canada is the national industry association representing the broad range of companies engaged in the energy storage business across Canada. Our membership represents all players along the energy storage value chain -- technology providers, project developers, investors and operators, electricity distribution companies and NGOs. We represent some of the largest energy companies in Canada as well as some of the smallest and most innovative clean-tech organizations.

This formal request of you and the IESO has been made informally through the Energy Storage Advisory Group (ESAG) and other stakeholders over the past several years as the market renewal process came on line but we have not articulated it to you directly and we would like to do that now.

On behalf of all Energy Storage Canada members, whose membership includes both in front-of-the-meter (FTM) and behind-the-meter (BTM), **I would like to ask that the IESO fully provision energy storage resources within the Market Renewal process for full market participation when the market reopens in 2023 under the new market renewal construct.**

By doing so, this will put energy storage on a level playing field with other resources and enable participation in multiple market opportunities while simultaneously supporting the IESO's desire for fewer contracts and lowering electricity costs for Ontario ratepayers.


Our membership has been encouraged by the work of the ESAG and its interim solutions that enable energy storage to compete in the June 2020 Capacity Auction. However, the IESO will be missing a huge opportunity to provide savings to ratepayers if energy storage is not fully provisioned as part of the Market Renewal process when it opens in 2023.

We understand that decisions are being made now around DSO planning that require the integration of energy storage resources. This would support an opportunity for energy storage providers, many of whom are coming on line without contracts from the IESO in anticipation of future market opportunities, to maximize their FTM and BTM assets within the energy and ancillary services markets while leveraging capacity auctions to provide maximum benefit to Ontario rate payers.

Additionally, the financial impacts of COVID-19 are being felt by businesses and homeowners across Ontario. By enabling storage (including BTM customer owned assets) to compete on a level playing field in IESO's new electricity market at the earliest possible juncture you will be creating a new and important revenue stream for Ontario-based assets.

I'll be reaching out to you in the next few days to set up a conference call so we can discuss this request in more detail.

Sincerely,

A handwritten signature in black ink that reads "Justin W Rangooni". The signature is written in a cursive, flowing style.

Justin Wahid Rangooni
Executive Director
Energy Storage Canada

cc: Terry Young, Vice-President - Policy, Engagement & Innovation
Katherine Sparkes, Director - Innovation, Research & Development