

Stakeholder Comment Matrix – Oct. 1, 2020

Request for Feedback on Long-term Energy Storage Market Participation Options Paper



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| Period of Comment: Oct. 1, 2020 through Oct. 30, 2020 Comments From: Turning Point Generation (TPG) Date: <u>2020/10/30</u> | Contact: Phone: Email: |
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Instructions:

1. Please fill out the section above as indicated.
2. Please respond to the questions below and provide your specific comments.
3. **Please submit one completed matrix per organization.**
4. Email your completed comment matrix to energystorage@aeso.ca by **Oct. 30, 2020**.

The AESO is seeking comments from Stakeholders with regard to the following matters:

| | Questions | Stakeholder Comments |
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| 1. | Are there additional issues to energy storage market participation within the current ISO rules that AESO did not identify? | TPG suggests that the AESO should start engagement on the concept of “Storage as wires” market participation. |
| 2. | Are there additional options to energy storage market participation within the current market structure that AESO did not identify? | See above response. |
| 3. | Do you agree with the evaluation of options? | See following responses. |
| 4. | Is full range market participation an important priority for energy storage right now; or is half-range providing required market access? Should full range market participation be deferred for investigation and implementation at a future date? | TPG believes that full-range participation of storage in the energy market is not a priority at this time. Half-range participation in the energy market coupled with the current full-range in the ancillary services market is the preferred market structure at this time. There may be a need to revisit this position in the future. See next responses for further information on this item. |

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| 5. | <p>Should Variable Energy Resources and Storage hybrids be permitted to participate?</p> <p>a. If no please explain why not</p> <p>b. If yes please provide a rationale as to why and how the dispatch variability issue should be addressed?</p> | <p>TPG submits that the main economic driver for VER/energy storage hybrids is primarily to avoid the current unnecessary DTS charges when charging from the grid. This is another example of the interconnectedness of the storage tariff engagement and AESO technical grid operations. For example, if the storage tariff was adjusted to reflect the unique nature of storage (“not a pure generator, nor is it a pure load” – as per AESO) then TPG believes there may be a significant decrease in the amount of VER storage hybrids and thus a reduction in the dispatch variability impacts which cause concern to the AESO.</p> |
| 6. | <p>How should storage and potentially other demand side resources be required to participate in the energy market?</p> <p>a. Must submit full range</p> <p>b. May submit full range</p> <p>c. Only submit discharge capability</p> <p>Please provide a rationale for your choice.</p> | <p>TPG is strongly opposed to the “Must submit full range” option for the energy market at this time. This will further increase barriers for participation and increase costs of storage market participants through limiting the flexibility and responsiveness of the storage operations. TPG acknowledges the AESO’s concerns regarding dispatch variability however we note that there are other possible tools, such as appropriate tariff treatment (see above comment), which would alleviate this concern. As always, fair treatment is paramount and suggests that this concern should be addressed in the context of all price-sensitive loads.</p> <p>TPG believes that half-range participation in the energy market coupled with the current full-range in the ancillary services market is the preferred market structure at this time.</p> |
| 7. | <p>In regard to the full range market participation options, how do you feel the chosen option should land when trading off technology agnostic treatment and complexity against participation flexibility?</p> | <p>Technology agnostic treatment and minimization of complexity should both be emphasized, however TPG does not support the full-range energy market options.</p> |
| 8. | <p>Do you have any comments on defining the state of charge? Is there anything the AESO has not considered? Please explain.</p> | <p>TPG agrees that “state of charge” needs definition. Technology agnostic treatment needs to be addressed when contemplating its definition. Engagement on the definition would benefit from further understanding on how the AESO intends to utilize “state of charge” information.</p> |
| 9. | <p>Do you have any comments on the commissioning requirements for storage? Is there anything the AESO has not considered? Please explain.</p> | <p>No further comments. TPG suggests that AESO has sufficiently considered the commissioning requirements.</p> |

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| 10. | Do you have any concerns or suggestions on the energy storage market participation engagement process and timeline? | TPG has a continued concern that this storage market participation process and the Bulk and Regional tariff process need an enhanced level of integration. For example, our earlier comments above identify interrelated issues which may result in a sub-optimal outcome for all stakeholders in each process unless further integration is achieved. |
| 11. | Do you have any other suggestions or comments you would like to share with the AESO related to the Long-term Energy Storage Market Participation Options Paper or the engagement activities? | None at this time. |

Thank you for your input. Please email your comments to: energystorage@aeso.ca.