Feedback Form

Resource Adequacy – July 22, 2021

Feedback Provided by:

Name: Sarah Griffiths Title: Director, Regulatory Affairs Organization: Enel X Email: Date: August 13th, 2021

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

Following the July 22, 2021 Resource Adequacy webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following discussed items. Background information related to these feedback requests can be found in the presentation, which can be accessed from the <u>engagement web page</u>.

Please submit feedback to <u>engagement@ieso.ca</u> **by August 13, 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.



Qualified Capacity Proposals

| Торіс | Feedback |
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| What questions or feedback do you have on the updated Qualified Capacity (QC) proposals? | Enel X has concerns with the newly introduced proposed UCAP for dispatchable loads. First, the proposal for UCAP only measures a small fraction of what the IESO will get from a dispatchable load resource and does not reflect the true value of the resource to the system need. By limiting the measurement to the top 200 hours, IESO is treating the capacity product for dispatchable load different from the other resources. Secondly, the de-rate that may exist for dispatchable loads could lead to disqualification of numerous MW for the system. If a resource is on the cusp of the 1 MW minimum, when the proposed UCAP is implemented, the resource may drop below the minimum requirement. This issue will be enhanced by the 4-hour energy requirement that will further de-rate dispatchable loads with behind-the-meter battery storage systems. The IESO will lose out on flexible and cost-effective MW under the UCAP proposal for dispatchable loads. Given the time and cost-intensive process of dispatchable load registration, this under-valuing and uncertainty in meeting minimum size qualifications will deter participants from offering their flexible MW. |
| What questions or feedback do you have on the proposed QC methodology for hourly demand response resources? | Enel X supports the comments filed by AEMA. This includes the need to ensure the accurate measurement of the HDR resource, equitable treatment of different resources types under the differing UCAP proposal and the inclusion of line losses in the HDR UCAP methodology if the IESO does move to UCAP for HDR resources. Over the last 2.5 years AEMA members have voiced concern that the way HDR resources are measured is not reflective of the true value they provide. Until this issue is resolved, the IESO should not be moving the HDR resource to UCAP. Enel X awaits the preliminary results of the Baseline Assessment review and echoes the points put forward by AEMA on the review – different types of baseline calculations should be used for different resource types or an opt out option for the in-day adjustment should be allowed. A strong testing regime along with the correct penalty/incentive performance schema should be in place to accurately measure the contribution of the HDR resource versus the introduction of UCAP. Enel X and AEMA members have also voiced |

| Topic | Feedback |
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| | concern regarding the ineffective measurement data audit process. The process does not use the most accurate reference for data quality and imposes disproportional penalties on resources that provide reliable MWs. Data quality is core to the HDR product but a more efficient and reliable process needs to be implemented to measure it. |

Resource-Backed Imports

| Topic | Feedback |
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| What questions or feedback do you have on the proposed resource-backed import framework? | |

General Comments/Feedback

Enel X is Enel Group's global business line offering services that accelerate innovation and drive the energy transition. A global leader in the advanced energy solution sector, Enel X manages services such as demand response for around 6 GW of total capacity at global level and around 100 MW of storage capacity installed worldwide, as well as 195,000 electric vehicle charging stations made available around the globe. In Ontario Enel X participates in the IESO Capacity Auction, facilitates customers participation in Operating Reserves and the installation of Behind-the-meter battery energy storage systems.