

Environment Indigenous Energy Law

Direct Dial: File: 416.862.4827 10268

Sent by Email and RESS

July 22, 2021

Ontario Energy Board 2300 Yonge Street 27th Floor Toronto, ON M4P 1E4

Attention: Christine Long, Registrar

Dear Ms. Long:

Re: Board File No. EB-2020-0230

IESO 2020-2021 Expenditure and Revenue Requirement Submission

Pursuant to Procedural Order No. 1 dated July 15, 2021, please find attached the Ontario Sustainable Energy Association's ("OSEA") submission on the Draft Issues List that was filed by the IESO.

Counsel for OSEA and counsel for the Association of Power Producers of Ontario ("APPrO") coordinated prior to this filing to avoid duplication, as required by Procedural Order No. 1.

Yours truly,

Raeya Jackiw

Raeya Jali

cc: Dan Goldberger, OSEA

Travis Lusney, Power Advisory LLC

Document #: 1989617

## ONTARIO ENERGY BOARD

**IN THE MATTER OF** the *Electricity Act, 1998*, s. 25(1) as amended

**AND IN THE MATTER OF** a Submission by the Independent Electricity System Operator ("IESO") to the Ontario Energy Board ("OEB") for the review of its proposed expenditure and revenue requirements for the fiscal year 2020 and the fees it proposes to charge during the fiscal year 2020

## WRITTEN SUBMISSION OF ONTARIO SUSTAINABLE ENERGY ASSOCIATION ("OSEA") ON IESO'S PROPOSED ISSUES LIST

July 22, 2021

## I. <u>SECTION 4.0 – MARKET RENEWAL PROGRAM ("MRP")</u>

- A. CLARIFICATION OF SCOPE OF ISSUES 4.3 AND 4.4
- 1 IESO's Business Plan does not include any capital investments for enabling energy storage participation in wholesale markets, or implementing the Energy Storage Advisory Group's recommendations and storage design project.<sup>1</sup> OSEA is concerned that delay in design and implementation of energy storage market changes will hamper adoption of renewable generation once the MRP is implemented.

<sup>&</sup>lt;sup>1</sup> EB-2020-0230, Exhibit B-1-2.

- The Business Plan also does not address incorporation of greenhouse gas ("GHG") policy and sustainability initiatives into market design investments. In OSEA's view, IESO should be targeting GHG and sustainability related investments within the MRP.
- 3 OSEA would like to confirm that questions about investments for enabling energy storage, and about incorporating GHG policy and sustainability initiatives into MRP investments, are captured by Issues 4.3 and 4.4 of the Draft Issues List:
  - 4.3 Are the IESO's 2020 and forecast 2021 capital costs for the MRP appropriate in the context of the scope and timing of the overall project?
  - 4.4 Is the IESO's MRP Baseline Schedule and Budget for each year of the MRP appropriate?
- 4 If Issues 4.3 and 4.4 do not capture such questions, OSEA proposes a new issue under Section 4.0 of the Draft Issues List as follows:

Does the IESO's MRP capital costs and budget appropriately consider investments in energy storage and the incorporation of GHG policy and sustainability initiatives into market design investments?

## II. ADDITIONAL PROPOSED ISSUE ON STAKEHOLDER ENGAGEMENT

In its application, IESO includes evidence on the effectiveness of IESO's new Stakeholder Engagement Framework, which was launched in May 2020, and updated in the fall of 2020.<sup>2</sup> IESO's application also includes evidence on how IESO has incorporated stakeholder feedback into its decision-making, including decision-making on capacity needs and resource adequacy.<sup>3</sup>

<sup>&</sup>lt;sup>2</sup> IESO Application, Exhibit A, Tab 2, Schedule 1, Page 1 of 8.

<sup>&</sup>lt;sup>3</sup> IESO Application, Exhibit A, Tab 2, Schedule 1, Page 6 of 8.

An effective stakeholder engagement process that involves municipalities in particular, is critical for informing system expansion decisions, and for ensuring that municipal planning decisions appropriately account for energy storage and the reduction of greenhouse gas emissions. As such, OSEA submits that an examination of the effectiveness of IESO's new Stakeholder Engagement Framework in this proceeding would be valuable. OSEA proposes the following additional issue for inclusion in the Draft Issues List:

Is IESO's Stakeholder Engagement Framework, and incorporation of stakeholder feedback into decision-making, appropriate?

Document #: 1988904