Energy Storage Progress Update Questions and Answers (Q&As)

On March 12, 2020 the AESO held an Energy Storage Progress Update webinar. During the session two questions remained unanswered and those questions and the AESO's responses can be found below. The AESO thanks all those who attended the webinar; the webinar recording can be found on our website at <u>www.aeso.ca</u>. The AESO personnel that presented, answered or read out questions at the session included the following:

- Ata Rehman, Director, Grid Planning & Operations Engineering
- Rob Davidson, Director, Customer Grid Access
- Nicole LeBlanc, Director, Markets & Tariff
- Ruppa Louissaint, Manager, Market Implementation
- Biju Gopi, Manager, Operations Engineering and Market Support
- Terry Martin, Project Manager
- Luis Garrido, Project Manager

Below you will find the stakeholder questions as they were submitted during the session. Opinions are the writers' own and content has not been vetted for accuracy. Questions have not been edited for spelling, grammar, sentence structure or otherwise. Questions have only been edited to ensure anonymity.

Stakeholder Question		AESO Response
1.	Please confirm whether, in the AESO's view, ESRs are a "generating unit" per the Electric Utilities Act? If not, what legislative changes are expected?	For the purposes of energy market participation, the AESO considers the discharging of energy storage/battery storage to be like a generating unit or an aggregated generating facility. This treatment aligns with the Alberta Utilities Commission's treatment discussed in Proceeding 24198, which states that "[for] battery storage facilities in the province, the Commission will process the proposed battery energy storage system as a power plant."
2.	How will hybrid assets (those that act only as generation and not load) be treated under the current plan?	Hybrid assets will be subject to the existing ISO rules and tariff. However, there are several factors to consider with respect to the application of the ISO rules and tariff. For example, where are the meters located, what markets does the facility intend on participating in, will the site be dispatched as a single asset or multiple, and whether the facility is connected to the distribution or transmission system.

Alberta Electric System Operator





Stakeholder Question	AESO Response
	We have provided further clarification on hybrid asset market participation and tariff treatment as part of our request for stakeholder feedback regarding the short-term market implementation requirements for energy storage participation overview document.