

OMS DR&TWG Comments to MISO MSC – 1/25/2016

To: Yonghong Chen, Jennifer Richardson of MISO staff
From: OMS Demand Response and Technology Working Group
Subject: Initial Comments on Energy Storage
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Initial Comments from OMS DR&TWG Regarding Energy Storage Workshop Presented at MSC on 1/5/2016

Many staff members from state commissions and the Council of the City of New Orleans listened to the MSC energy storage workshop in early January. We plan to monitor this issue closely as it progresses, as well as actively engage with stakeholders when needed. Various storage technologies have the ability to provide some services normally associated with a variety of assets, including demand response, energy, capacity, and transmission resources. Other advanced functionalities of storage may provide benefits to the local and bulk electric system that are not yet categorized or recognized in the MISO tariff. The value of the services that can be provided by this non-traditional, yet flexible resource will likely become more apparent within MISO's footprint as generation and resource diversity increases. MISO is correct to address energy storage issues with stakeholders at this time, as market participants begin to plan and implement energy storage projects.

During MISO's energy storage workshop, the presentation posed several questions surrounding storage, but did not outline a succinct problem statement. Before MISO and stakeholders make an attempt at crafting solutions, we believe defining the problem first will allow a better understanding of the issue, and will then hopefully lead to agreement on a set of solutions more quickly. It may be difficult to prioritize actions needed to provide truly technology-agnostic products and operations when stakeholders cannot clearly identify barriers that storage developers and market participants face. MISO may want to consider drafting an "Issues Statement" for energy storage, as it has recently done with other issues. This could include a preliminary identification of services that energy storage can provide under the current MISO tariff, as well as services that storage may be able to provide but are not compensated in the tariff at this time.