

**[Committer 13]**

**Comments on Draft**

**Preliminary**

**Proposal**

**Requirements**

**From:** [Commenter 13]

**Sent:** Mon 6/15/2026 5:42 PM

**To:** Illinois-RFP <Illinois-RFP@nera.com>

**Subject:** Round Two: [Commenter 13] Comments on Draft ISC Contract and Preliminary Proposal Requirements

Dear IPA Administrator and NERA Team,

Please find attached [Commenter 13]'s comments on the draft Indexed Storage Contract and Preliminary Proposal Requirements.

We generally support the comments submitted by [Commenter 15]; however, we would also like to emphasize the importance of the following:

**Section 2.2(c) should be revised to remove any requirement that an eligible storage resource be interconnected exclusively to the transmission system.**

- The purpose of this procurement is to acquire dispatchable energy storage capacity capable of delivering the performance characteristics required by the Program. Eligibility should therefore be based on a resource's demonstrated operational capability, market participation eligibility, and compliance with contractual performance requirements rather than the voltage level or point of interconnection.
- A storage resource interconnected to a distribution system can provide the same dispatchable capacity, duration, availability, telemetry, and wholesale market services as a transmission-connected resource. If a resource satisfies the procurement's operational requirements and offers a competitive bid price, its interconnection configuration should not be a determining eligibility criterion.
- Limiting eligibility to transmission-connected projects unnecessarily reduces the pool of potential bidders, restricts competition, and may increase costs to Illinois ratepayers. Distribution-connected storage projects often benefit from shorter development timelines, lower interconnection costs, reduced siting complexity, and the ability to provide additional local grid benefits while delivering the same contracted storage product.
- As a competitive procurement, the Program should remain technology-neutral and configuration-neutral. The solicitation should establish the required performance outcomes and permit all resources capable of meeting those requirements to compete. The market can then determine which projects provide the greatest value to ratepayers through the competitive bidding process.
- Accordingly, Bidder recommends that eligibility be based on operational capability and market participation requirements rather than transmission-versus-distribution interconnection status.

**Section 2.6(a)(i) should be revised to reduce the minimum project size threshold from 20 MW to 5 MW.**

- The procurement should be structured around the performance characteristics sought by the IPA rather than a prescribed project size. If a storage resource can satisfy the operational, duration, telemetry, availability, and market participation requirements of the Program, its eligibility should not depend on whether it is 5 MW, 20 MW, or 100 MW.
- A lower minimum size threshold would increase competition, expand the pool of eligible projects, and allow the market to identify the most cost-effective resources. Smaller storage

facilities can provide the same dispatchable capacity and wholesale market services as larger projects and should be permitted to compete on equal footing.

- Recent procurement activity demonstrates a trend toward broader participation. For example, DTE Energy's most recent storage procurement reduced the minimum project size threshold from 25 MW to 5 MW, recognizing that smaller projects are capable of providing competitive storage services while increasing the number of eligible bidders and potential project sites.
- Establishing a 20 MW minimum threshold unnecessarily excludes otherwise qualified projects and limits competitive pressure within the solicitation. If the objective is to procure the lowest-cost dispatchable storage resources that satisfy the Program's requirements, project size should not be used as a proxy for project quality or capability.
- Accordingly, Bidder recommends reducing the minimum project size requirement to 5 MW or alternatively permitting aggregation of multiple storage facilities to satisfy the minimum capacity requirement.

Again, we encourage the IPA to consider the “missing middle” between the existing treatment of projects 5 MW and below and the proposed 20 MW minimum threshold for participation in this procurement. Projects in the 6-19 MW range can provide significant reliability, congestion relief, and local system benefits while often offering meaningful advantages in development timeline, siting flexibility, interconnection timing, and overall deployment cost.

Preserving eligibility pathways for these projects would broaden participation, increase geographic diversity, and allow Illinois to capture a wider range of storage solutions capable of delivering value to ratepayers and the grid.

We appreciate the opportunity to participate in the stakeholder process and welcome continued engagement as the procurement structure evolves.

Regards,

[Commenter 13]