

Feedback Form

Long-Term 2 RFP – December 13, 2023

Feedback Provided by:

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To promote transparency, feedback submitted will be posted on the Long-Term RFP engagement page unless otherwise requested by the sender.

Following the LT2 RFP engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on specific items discussed during the webinar. The webinar presentation and recording can be accessed from the [engagement web page](#).

Please submit feedback to <mailto:engagement@ieso.ca> by January 15, 2024. If you wish to provide confidential feedback, please mark "Confidential". Feedback that is not marked "Confidential" will be posted on the engagement webpage.

Resource Adequacy Framework and Cadenced Procurement Approach

Topic	Feedback
Do you have any comments or concerns regarding the cadenced nature between upcoming LT and MT RFPs?	No concerns on the cadenced approach with LT and MT RFPs.
Do you have any comments or concerns regarding the proposed offering of both capacity style and new revenue model style of contracts, based on resource eligibility requirements and system needs?	
Do you have any concerns regarding the proposed target setting approach for upcoming MT RFPs?	
Do you have any comments regarding how best to employ bridging and extensions to contracts to facilitate the success of the Resource Adequacy Framework?	

LT2 RFP Resource Eligibility and Timelines

Do you have any general feedback on resource eligibility and timelines?

It would be good to see some more specific strategies and enabling policies for proponents with capabilities for Onsite Generation, Own Consumption and Grid Export using Biogas/RNG as fuel. The IESO could consider carving out a section of the RFP and devise a program to incentivize the development of this segment to become a key pillar in the strategy for non-emitting resources. Biogas Power Generation is a Non-Emitting Technology that should be classified separately and similarly to Wind, Solar, Hydro and Hydrogen. The members of the Canadian Biogas Association (CBA) should also be engaged to provide valuable support in this development as referenced in prior communication between the CBA and IESO. Ontario could benefit from the same effective approach used in the German market where the flexibility of biogas facilities was utilized in long-term plans to decarbonize and stabilize the electricity grid. A biogas facility operating continuously on a 24/7 basis, when coupled with Biogas Storage can inject twice the amount of renewable electricity in the grid over a 12-hour peak period. Systems between 500kW to 1MW size range should be considered for participation in the LT2 RFP Process.

It would be good to see some more specific strategies and enabling policies for Onsite Generation, Own Consumption and Grid Export especially in the Greenhouse industry. The IESO could consider carving out a section of the RFP and devise a program to incentivize Greenhouses to make more investments in onsite CHP Solutions (coupled with systems for CO2 Capture, Storage and Use in Greenhouse production) to meet all their electricity needs during the Winter months then sell its Generation Capacity to the IESO during the Summer months. The OGVG and its members should also be engaged on this.

Considerations should be given to allow the participation of proponents with natural gas fired systems that include Carbon Capture, Use and Storage as solutions to meet the non-emitting goal.

Considerations should be given to allow the participation of proponents with natural gas fired systems that are capable of converting to 100% or blends of hydrogen as fuel when supply availability and economics allow for that transition. The commercially available and technically proven size range of 250 kW to 1 MW generators should be considered for participation.

Topic	Feedback
	In the absence of a Pre-qualification requirements for LT2, Qualified Applicants and Proponents of LT1 could be considered pre-qualified for LT2.
If the potential of repowering an existing facility applies to you, would you be interested in exploring this option further?	
How should the optimal threshold for what constitutes a partial or fully repowered facility be determined and what considerations should be taken into account regarding the repowering of different resource types?	
What considerations should be taken into account for new-build DERs?	Greater clarity should be given on how new and existing Distributed Energy Resources (DERs) will be enabled and treated in this RFP Process especially for embedded CHP systems using Biogas/RNG as fuel.
Please express any interest and opportunities for uprates and/or expansions at any of your existing facilities.	Considerations should be given to existing biogas to power suppliers with FIT contracts to uprate/expand their facility to participate in LT2.

LT2 RFP Design Considerations – System Congestion and Deliverability Approach

Topic	Feedback
What early system congestion information do proponents need to guide them in choosing the location of their projects and when is this needed by within the procurement cycle?	Proponents should get Right of Access to the Electricity Grid at the Distribution Level for certain project sizes, say less than 20MW capacity. There should be a predetermined connection cost/kw that will give proponents greater certainty in building their project cost and also levelized with those proposing connections at the transmission level.
Do you have any general suggestions for how to approach deliverability evaluation in the LT2 RFP?	

LT2 RFP Design Considerations – General Feedback

Topic	Feedback
Do you have any comments regarding the impacts that agricultural land-use limitations may have on project development?	
Do you have any comments regarding what evaluation criteria can be utilized to evaluate project readiness, given tight timelines and reliability needs?	
Do you have input on the proposed mechanism for valuing Indigenous participation?	
Are there any other rated criteria that should be considered?	

Long Lead Time Resources

Topic	Feedback
Does the proposed approach to enabling long-lead time resources enable meaningful participation or sufficient certainty?	
What additional considerations should the IESO contemplate for enabling broader participation from long-lead time resources?	

Revenue Model

Topic	Feedback
As a potential proponent, are you generally supportive of the proposed Enhanced PPA revenue model? Are there any other considerations that the IESO should look into further with regards to the revenue model?	Because the ownership and size of some large suppliers can allow them to be more aggressive/competitive with their bid prices and exert greater influence over the weighted average price partly used in bid selections, it might be good for the IESO to separate/categorize very large suppliers from smaller ones (say 5MW-20MW). This may increase

the confidence level of smaller investors to participate in the RFP process allowing the IESO to secure more of its targeted resource requirements.

General Comments/Feedback