

Feedback Form

Long-Term RFP – March 10, 2022

Feedback Provided by:

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Following the March 10th public webinar on the Long-Term RFP, the Independent Electricity System Operator (IESO) is seeking feedback from participants on a variety of elements to help further inform the draft RFP and Contract, including: term length, revenue streams, deliverability process and Draft RFQ.

The referenced presentation can be found on the [Long-Term RFP webpage](#).

Please provide feedback by March 17, 2022 to engagement@ieso.ca.

Please use subject header: **Long-Term RFP**. To promote transparency, this feedback will be posted on the [Long-Term RFP webpage](#) unless otherwise requested by the sender.

The IESO will work to consider and incorporate comments as appropriate and post responses on the webpage.

Thank you for your contribution.

Term Length

Topic	Feedback
Does the revised, 15-year term length provide stakeholders with sufficient certainty for project financing and development?	Northland Power supports the IESO's efforts to provide developers, financiers, ratepayers and the IESO itself with greater certainty. Given the uncertainty associated with Market Renewal, evolving political priorities, tight development timelines, supply chain disruptions, among other challenging development and financing conditions, all stakeholders will benefit from additional certainty.

Revenue Streams

Topic	Feedback
<p>Are stakeholders supportive of the high level approach for additional revenue streams, discussed in slides 26-28?</p>	<p>Northland Power supports the IESO's efforts to provide successful RFP proponents with a market hedge on energy.</p> <p>What's unclear is whether or how the IESO will value energy when selecting RFP winners. Will the market still clear on a \$/UCAP MW basis?</p> <p>Will the IESO need to assess potential payments associated with an energy hedge to determine RFP winners? Would this entail the IESO taking a forward view on market prices, generator cost structures, production, etc. to calculate expected hedge payments? Would these expected hedge payments then be spread over bid UCAP MWs to determine which projects had the lowest cost per UCAP MW?</p> <p>Will the energy hedge be based on a dynamic assessment of production, either deemed or actual? Alternatively, will it be based on fixed assumptions about output, either flat or shaped? To the extent a CfD structure is introduced, fixed shapes will create greater volume risks for suppliers (supplier is short energy because hedge sales exceed actual production).</p>
<p>Does an option with a capacity payment and energy market hedge provide stakeholders with sufficient certainty?</p>	<p>Yet to be determined; more design details are needed.</p>
<p>Do stakeholders believe that the high level revenue stream option supports efficient market operation? Are there additional considerations that could help support energy market efficiency?</p>	

Deliverability Process

Topic	Feedback
<p>Do stakeholders have any comments on the deliverability process laid out on slides 34-36?</p>	<p>If a project is determined to be “Not Deliverable” will that resource fail to qualify for the LT RFP? Instead, could the transmission/distribution costs associated with making that project deliverable be considered as part of its LT RFP submissions?</p> <p>Potential proponents will need detailed Deliverability Process requirements finalized well in advance of the RFP, so time isn’t wasted developing sites the IESO will ultimately deem undeliverable.</p> <p>The Deliverability Process should not occur so far in advance of the RFP submission deadline that project details are still far from being finalized.</p> <p>In the Deliverability Process, if multiple projects are deemed to be “Deliverable but Competing”, will all proceed to the RFP stage? If yes, once in the RFP stage, will these projects first compete against one another for available capacity at their delivery point, before competing against the broader pool of RFP applicants?</p>
<p>Does the general timing of the proposed deliverability process (i.e., a deliverability assessment window prior to proposal submission) provide stakeholders with enough clarity on the deliverability of their proposed project?</p>	<p>During the Deliverability Process, will projects that’ve already completed the CIA/SIA process be at an advantage relative those that haven’t? It’s important that all resources are competing on an even playing field.</p>

Draft RFQ

Topic	Feedback
<p>Do stakeholders have any general comments on the draft RFQ as discussed on slides 37-46?</p> <p><i>Please note that specific draft RFQ feedback is requested on the feedback form sent alongside the draft RFQ on February 28.</i></p>	

General Comments/Feedback