

# Feedback Form

## Long-Term RFP – May 4, 2023

### Feedback Provided by:

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Following the May 4<sup>th</sup> public webinar on the Long-Term RFP (LT1 RFP), the Independent Electricity System Operator (IESO) is seeking feedback from participants on design of the LT1 RFP and LT1 Contract.

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

**Please provide feedback by May 18, 2023 to [engagement@ieso.ca](mailto: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.

## Areas of Feedback:

Topic	Feedback
The revised proposed procurement timeline presented on May 4, with regards to changes to the schedule of the Deliverability Test process.	Atura Power supports and is encouraged with the changes to the Deliverability Test Process schedule. The earlier proponents receive their results, it will allow for more time to course correct and modify proposal(s), if required. However, this timeline will still make it challenging to meet 2027 COD.
The proposed broadened definition of an Eligible Expansion facility, which gives the optionality of connecting to a separate connection point as long as the new resource remains within the boundaries of the existing site.	Atura supports flexibility to enable connection of existing facilities where expansions are possible.
The removal of locational Rated Criteria points due to a provincial wide Capacity need within the timeframe of the LT1 RFP.	Atura Power supports the removal of locational rated criteria points.

## Other or General Comments/Feedback:

### Schedule

The current timeline has the IESO awarding contracts in Q1/Q2 2024 with the expected commercial operation date (COD) being maintained as May 2027. Contract award being as late as (potentially) June 2024 could make it challenging for proponents to achieve COD by May 2027 due to permitting timelines and delivery of long-lead equipment, such as transformers. Atura suggests the IESO consider moving up the contract award so that proponents have sufficient time to meet the COD or shift the COD date accordingly. Alternatively, if the IESO is not prepared to move up contract award or shift the COD date, the IESO ought to allow for contractual relief from damages for potential delays because of the delay in issuance of contract award. Liquidated damages (LD) should not apply until after 12 months of the passing of the Milestone Date for Commercial Operation (MDCO) and in the alternative, at a minimum they should not apply any earlier than 9 months after the MDCO. For the same reasons, the IESO should move out the Longstop Date to 30 months after the MDCO.

### Outages

The expedited capacity contract has created financial incentives for all Suppliers to take their planned outages in four 'preferred' months. Should the LT1 contract mimic the expedited contract, these Suppliers will also be incentivized to take their outages in those same preferred months, which

undoubtedly will lead to grid reliability risks and consequently the IESO disallowing outages and potentially pushing some Supplier's to take planned outages in months outside their Annual Operating Plan. Should a Supplier's planned outage occur in a month other than a Sole Annual Planned Outage Month or a Split Annual Planned Maintenance Month because it was rejected by the IESO due to reliability concerns, the Supplier should not be penalized, and the Planned Outage Capacity Reduction Factor should be calculated as if the outage occurred in the month set out in the Supplier's Annual Operating Plan.

Inability to schedule a planned outage in the IESO contract target or preferred months should not be a Supplier's risk resulting in financial penalty.

#### Environmental Change in Law

Atura would like to reinforce its comments of April 17, 2023, where should the Government of Canada and/or the Government of Ontario introduce laws and regulations which could increase a Supplier's cost materially to comply with the amended or new laws and regulations, an explicit provision (in addition to the GHG Abatement Plans provisions) should be included to allow for contract amendments to the fixed capacity payment if such law and regulation restricts the Supplier from recovering such costs from the market, consistent with precedents in other existing IESO contracts.

#### Market Rule Amendments

The IESO Market Rules may be amended at any time and such amendments are generally beyond the Supplier's control. It must be recognized that at the time of bid submission, proponents can only rely on the market structure and Market Rules known at that time when developing their bid proposal. As such, it is unreasonable for the Supplier to assume all risk associated with future Market Rule changes whereby their original Supplier's economics may be substantially impacted in the future as a result of Market Rule amendments. Atura Power recommends that contractual amendments be provided for if as a result of the market rule amendment the Supplier's economics are substantially impacted. Precedents exist in other IESO contracts which could be leveraged and incorporated into the LT1 Contract.

#### Proponent Group Award Limit

Considering the May 16, 2023, announcement of selected proponents under the Expedited LT RFP, which indicates that the IESO did not meet its 600 MW target in the non-storage category, and since that shortfall will be added to the LT1 RFP to total ~900 MW the IESO should eliminate (or increase) the Proponent Group Award Limit.

Atura Power appreciates the opportunity to provide feedback on the LT1 RFP process and contract and looks forward to further discussions with stakeholders and the IESO.

In addition to these comments, Atura Power supports the submission made by APPrO.