

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?	We request additional details on the type of “new” resources that would be considered for a medium-term (i.e. flexible) commitment. Please clarify if Municipal Support Resolutions will be required and at what stage of the procurement process.
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?	N/A (industry question)
Do you have any concerns regarding the proposed target setting approach for upcoming MT RFPs?	N/A (industry question)
Do you have any comments regarding how best to employ bridging and extensions to contracts to facilitate the success of the Resource Adequacy Framework?	N/A (industry question)

LT2 RFP Resource Eligibility and Timelines

Topic	Feedback
Do you have any general feedback on resource eligibility and timelines?	The IESO should ensure that it gets the right resource mix between wind solar and hydro. These resources have vastly different production profiles and ultimately the resources selected need to do a good job of correlating with demand profiles. For example, wind is a strong winter resource and solar is a big summer one and if the procurement is balanced toward only one source, then the IESO may find itself without enough winter or summer energy. Getting the right resource mix has the potential to reduce the need to procure added capacity. For example, solar may not be the best option if we assume that Ontario is heading towards higher winter peak demands. Procuring too much solar could therefore cause the IESO to procure additional dispatchable load, storage or generation to meet winter peaks.
If the potential of repowering an existing facility applies to you, would you be interested in exploring this option further?	N/A (industry question)
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?	Please clarify what provincial approval process, if any, will be carried out to approve repowering non-emitting resources on existing sites. Please also clarify if a Municipal Support Resolution be required for repowering projects. Community engagement should be required for repowering projects where size or public appearance of generation projects undergoing a significant change. (i.e. wind projects that are proposed to replace the size of turbines or solar projects that propose to expand and/or replace existing PV arrays).
What considerations should be taken into account for new-build DERs?	Consideration of potential benefits to distribution systems.
Please express any interest and opportunities for uprates and/or expansions at any of your existing facilities.	N/A (industry question)

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?	N/A (industry question)
Do you have any general suggestions for how to approach deliverability evaluation in the LT2 RFP?	N/A (industry question)

Topic	Feedback
<p>Do you have any comments regarding the impacts that agricultural land-use limitations may have on project development?</p>	<p>IESO needs to be informed of the policies of the Provincial Policy Statement (PPS), issued under the Planning Act. The PPS is the primary provincial land use planning policy document and all local (municipal) land use decisions must be consistent with the PPS. Section 2.3.6 of the 2020 PPS addresses non-agricultural uses in prime agricultural areas (PAA). This policy requires that proposed non-agricultural uses in PAA ensure avoidance of specialty crop areas and compliance with Minimum Distance Separation, demonstrate need for the use, and consider alternative locations which avoid or minimize impacts to agriculture. Section 2.3.6.2 requires mitigation of agricultural impacts to the extent feasible. The definition of on-farm diversified uses in the PPS specifies that ground-mounted solar facilities are permitted in prime agricultural areas, only as on-farm diversified uses (OFDU). The PPS defines on-farm diversified uses as “secondary to the principal agricultural use of the property and are limited in area. On-farm diversified uses include, but are not limited to, home occupations, home industries, agri-tourism uses, and uses that produce value-added agricultural products” (PPS, 2020).</p> <p>A draft new policy proposed in the Provincial Planning Statement extends this provision to “land extensive energy facilities, such as ground-mounted solar or battery storage facilities.” OMAFRA’s Guidelines on Permitted Uses in Prime Agricultural Areas explain provincial policy on OFDU (and other permitted uses) and recommend best practices for satisfying provincial policy, such as area limits for OFDU. However, with OMAFRA recommending a maximum area of 1 hectare for such uses, many 'land extensive' uses will simply not be possible in prime ag areas.</p>
<p>Do you have any comments regarding what evaluation criteria can be utilized to evaluate project readiness, given tight timelines and reliability needs?</p>	<p>N/A (industry question)</p>

Topic	Feedback
Do you have input on the proposed mechanism for valuing Indigenous participation?	Participation from Indigenous communities that are impacted by a proposed energy facility should be meaningful in that there is a recognition and commitment to foster mutual learning and collaboration. We request that IESO seeks input of Indigenous groups on how this would be achieved.
Are there any other rated criteria that should be considered?	Rated criteria should be granted to projects that seek to repurpose former vacant industrial lands and brownfield sites.

Long Lead Time Resources

Topic	Feedback
Does the proposed approach to enabling long-lead time resources enable meaningful participation or sufficient certainty?	N/A (industry question)
What additional considerations should the IESO contemplate for enabling broader participation from long-lead time resources?	Consider rewarding phased dates for production for larger projects.

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?	N/A (industry question)

General Comments/Feedback

1. To ensure appropriate level of community participation in the process, we request that LT2 and subsequent procurement RFPs provide specific direction to energy proponents that they must hold community meetings at a location closest to where the energy project is proposed to be located.

Proponents should also be required to meet with the elected official / ward councillor for the area in advance of discussions with the community at large.

2. As part of the LT1 procurement and in consideration of future procurements, please note that the "Prescribed Form – Evidence of Municipal Support (LT1PF-MS200)" is problematic as it required "signature lines for elected representatives" be provided and stated that "at least one signature is required". Clarification was provided on Page 20 in Batch 3 of the Question and Comment Period dated November 28, 2023 stating that *"The Municipal Support Resolution should take whichever form is standard for the Council in respect of its resolutions adopted at meetings. If it is common practice for the CAO to sign resolutions on behalf of and with the authority from the council, then that would be acceptable for the purposes of the a Municipal Support Resolution that otherwise substantially meets the form requirements."* This is not a standard practice by the City of Ottawa. In an effort to comply to the fullest extent, we arranged for the Mayor to sign Page 5 of the form as a special request. We therefore request that IESO take this into account in the LT-2 and subsequent RFPs. Council minutes should be able to serve as the required documentation rather than signatures on the form. We also request permission for municipalities to prepare their own template form and that IESO provide the minimum required information to be contained in the form.

3. We request direction on whether the IESO will recommend approval to MECP in order to commence a Renewable Energy Approval process under O.Reg 359/09 for generation and repowering projects. Please clarify at what stage of the approval process Municipal Support Resolutions will be required, what the province's plans are to align with the Ministry of Energy and MECP processes, and how municipalities are going to be consulted to integrate authorities set out under the Planning Act.

4. We request that the IESO indicate when a re-powering will trigger the need for an MSR. If there is no change to the layout or dimensions to a facility being re-powered, then an MSR is not likely required but conversely this may be required if a repowering triggers changes to layout and dimensions.

5. The IESO appears not to be considering prescribing the geographical location for required generation. There should be an attempt to locate resources near existing or anticipated loads to avoid the need for further procurements; be they energy, capacity or transmission. Also, improved supply resiliency may result from careful consideration of geographical location.

6. If Municipal Support Resolutions are to be required by the application deadline for LT2 and subsequent procurements, municipalities need to be informed as soon as possible of the required timelines and expectations in order to work backwards to ensure that legislative timelines set out by the Planning Act and municipal Committees and Councils can be met.

7. We request guidance on how the IESO will respond in the event of appeals to the Ontario Land Tribunal of municipal council decisions approving either Official Plan Amendments or Zoning By-law Amendments related to an energy project, whether in the long or medium term.

8. We request that the Ministry of Health and the Ministry of Environment, Conservation and Parks be provide updated guidance to local communities on the health implications of renewable energy generation and hybrid facilities to inform siting requirements in local land use planning. For future

procurements that involve batteries, we also request provincial direction on the requirements to address battery energy storage systems and protection of human health and safety.

9. Are there any legislative updates to the existing required setbacks for wind turbines given the advancements in the industry? Any new guidance on groundwater protection for battery storage projects in a rural context in light of the fire risk?

10. The City of Ottawa is working on new zoning and official plan amendment for renewable energy projects, which will help Ottawa in processing projects that may be proposed in Ottawa as part of the upcoming LT and MT RFPS. If projects are proposed outside of permitted use areas, achieving timelines for municipal support resolutions may be challenging. We recommend the IESO consider these scenarios in the procurement timelines for submitting Municipal Support Resolutions.