

Feedback Form

Long-Term 2 RFP | Deliverability Guidance Document | April 18, 2024

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. If you wish to provide confidential feedback, please mark "Confidential".

Following the LT2 RFP Guidance Document webinar on April 18, 2024, the Independent Electricity System Operator (IESO) is seeking feedback from participants on the items discussed during the session. The presentation material and recording can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by May 3, 2024.

Guidance Document: Readability and Layout

Topic	Feedback
Do you have any advice or feedback on the style, layout and overall readability of the April 2024 Deliverability Guidance Document released by the IESO?	See comments below.

Guidance Document: Content

Topic	Feedback
Are there any specific areas of the Deliverability Guidance Document that you would like to provide feedback on from a technical and/or content-specific point of view? If so, please be as specific as possible in your feedback and consider using page numbers and content title where possible to ensure the IESO can consider your feedback accurately	See comments below.
Do you find the preliminary connection guidance information sufficient for your siting needs? If you feel more information is required, please be specific on what other information you would find useful.	See comments below.

General Comments/Feedback:

Northland Power would like to thank the IESO for their efforts to provide additional deliverability guidance for the LT2 procurement. While there's more work to be done, the information already released will provide vital direction to proponents as they look to develop projects for LT2 and beyond.

As the IESO is aware, developers face significant overlapping constraints when siting a project in Ontario. These include, but are not limited to, grid constraints, agricultural and crown land constraints, community acceptance, topography, resource availability, among many others. Early development work suggests that respecting all of these constraints will be challenging for any individual project, and potentially intractable in the broader context of the IESO's 2 GW procurement target.

In the face of these constraints, the IESO's conservative approach to its Deliverability Guidance Document presents a challenge. To the extent the document looks to provide guidance that applies across the entire province – such as limits on project size based on the voltage of the transmission interconnection – the blanket approach necessitates conservatism to ensure the most restrictive constraints are being respected. This approach inevitably dissuades the development of otherwise viable projects. And while the IESO provides the limits as mere guidance and encourages developers to submit projects that exceed the limits, it's unreasonable to expect proponents to spend their limited time and resources developing sites the IESO has categorically encouraged them to avoid.

When proponents encouraged the IESO to eliminate the upfront deliverability assessment in favour of releasing more deliverability information in advance of the RFP, it was predicated on that information being actionable, in that it provided proponents reasonable confidence that their projects would be assessed "Deliverable" or "Deliverable but Competing" once assessed in the RFP. At current, the IESO's guidance document does not contain sufficient information to provide that certainty.

Fortunately, the IESO has committed to evolving the guidance document to improve the quality of the information as more becomes available. Forthcoming iterations of the document should include:

- Consideration of projects awarded through LT1.
- Consideration of planned transmission upgrades expected to be in-service prior to the milestone date for commercial operation associated with LT2. Further to this point, assessing deliverability based on a snapshot of 2030 provides a limited view on the deliverability of projects with 20+ year lifespans.
- Consideration of small network upgrades that may be part of a project's interconnection assessment. Small enabling upgrades, such as "reconductoring", are often identified during the CIA/SIA process and should be considered when providing deliverability guidance.
- More detailed deliverability guidance, including a map with information on available capacity on individual circuits or in defined transmission pockets. This map should be geographically accurate so as to allow proponents to overlay additional geographic constraints such as agricultural land classifications.

If the IESO provides the above information, proponents will be able to make their own judgements about the likely deliverability of their projects. Absent this information, Northland Power recommends that the IESO reinstitute a voluntary deliverability assessment well in advance of the RFP bid submission deadline. While this may seem at odds with earlier sector feedback relating to the E-LT and LT1 procurements, the main issue with those processes was the compressed timeline and minimal time between initial deliverability assessment and RFP bid deadline. Given the relatively longer LT2 timeline, a more constructive upfront deliverability assessment is feasible.

An upfront deliverability test could provide proponents with expected congestion levels – as was initially planned by the IESO – as well as an indication as to whether that level of congestion is considered acceptable by the IESO, or whether the project would be removed from RFP consideration. This assessment could also include an assessment of the network upgrades that would be required as part of the interconnection process, and a non-binding estimate of the associated costs. Provided this assessment is conducted far enough in advance of the RFP bid deadline, say Q4 2024, proponents will have enough time to 1) conduct sufficient development activity in advance of

the deliverability assessment to have a firm sense of project location and size, and 2) have sufficient time post-results and pre-RFP bid deadline to forgo spending on infeasible projects and make sufficient progress on feasible projects. Results of the upfront deliverability assessment should be informational as opposed to binding as they were in previous procurements, allowing projects the flexibility to optimize size and location in advance of the RFP bid deadline.

The increased certainty provided by both more detailed deliverability information and an upfront deliverability assessment will serve to focus proponents on projects that are ultimately viable. Not only will this help reduce costs, but it will focus municipal engagement efforts so as to avoid some of the unnecessary community frustration that accompanied earlier procurements.