

# Feedback Form

## Long-Term RFP – March 10, 2022

### Feedback Provided by:

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Following the March 10<sup>th</sup> 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](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.

## Term Length

Topic	Feedback
Does the revised, 15-year term length provide stakeholders with sufficient certainty for project financing and development?	Evolugen is encouraged by the revised contract length. We wish to reiterate that longer contracts allow developers to optimize their financing and investment models, which invite more offers at more competitive prices, to the benefit of ratepayers. Contracts that can extend beyond 15-years would further help developers to expand their offerings in the RFP.

## Revenue Streams

Topic	Feedback
Are stakeholders supportive of the high level approach for additional revenue streams, discussed in slides 26-28?	We are supportive of additional revenue streams and options in junction with capacity contracts.
Does an option with a capacity payment and energy market hedge provide stakeholders with sufficient certainty?	Outside of the capacity and energy market revenue considerations, the IESO should also consider payment mechanisms (via new markets or clearly defined frameworks) to compensate and contract for ancillary services. While the anticipated transition from HOEP to LMP introduces difficulty in forecasting future energy revenue, developers can nevertheless rely on historical data and past contract terms to estimate a project's potential energy revenue. Ancillary service, however, are generally negotiated bilaterally behind closed doors. The lack of information on the value of ancillary services presents a gap in how developers can evaluate a project's four revenue streams (i.e., capacity, energy, ancillary, renewable attributes). We request the IESO clearly define how it expects to compensate for ancillary services, and bundle the value of ancillary services in the RFP given the lack of market signals.

Topic	Feedback
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?	

## Deliverability Process

Topic	Feedback
Do stakeholders have any comments on the deliverability process laid out on slides 34-36?	The IESO's deliverability assessment requirement is reasonable. However, developers would require as much information as possible to conduct their own internal assessments prior to fully committing a project in the RQP, and even before devoting resources to prepare for the RFQ. We support the proposal to create a simplified deliverability assessment process to improve project certainty and look forward to reviewing the process. Also, the IESO should clearly define the timeline and criteria of its deliverability assessment process as early as possible. More information on this deliverability process, and whether different technology types would have different deliverability expectations (e.g., stand-alone batteries and hybrid projects) would be critical for developers to consider participating in the RFP.
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?	We support the general "timing" of the process, but note that process timeline (i.e., assessment duration) and its selection criteria are equally important.

## 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>	<p>We generally support the IESO’s participation requirements to ensure that rewarded projects can be constructed on time and delivered successfully.</p>

## General Comments/Feedback

Evologen requests that the IESO coordinate the various regulatory and permitting efforts necessary to interconnect a project. For example, the IESO could invite the relevant regulators and ministries to the next meeting to define their unique requirements and permitting processes—perhaps in the form of a workshop. This approach would ensure that all developers receive the same information at the same time, without needing to contact such entities separately. Moreover, the IESO-led system-impact-assessment and the customer impact assessment processes can create significant regulatory uncertainty vis-à-vis project timeline, which puts the IESO’s preferred 2025 delivery date at risk. Hybrid projects, in particular, face significant uncertainty as a new resource model that the IESO, the transmitter, and the developers are all unfamiliar with. As Ontario is anticipating capacity and energy needs beginning as early as 2025, the developer community requires as much regulatory transparency and streamlining as possible to help meet these pressing system needs.

Finally, we request that the IESO release anonymized results of the Confidential Questionnaire, so that developers can focus their attention on potential technology gaps and needs.