

# Feedback Form

## Long-Term RFP – May 4, 2023

### Feedback Provided by:

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Date: 5/18/23

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
<p>The revised proposed procurement timeline presented on May 4, with regards to changes to the schedule of the Deliverability Test process.</p>	<p>Alectra Convergent Development JV appreciates the opportunity to comment on the Long-Term 1 RFP (LT1). While we empathize with the challenges facing the IESO, the updated timeline presents a number of issues for storage projects under development:</p> <ol style="list-style-type: none"><li data-bbox="889 506 1511 1094">1. Alectra Convergent Development JV does not support moving the Deliverability Test submission deadline to June 13. Proponents were notified of Hydro One’s willingness to engage in pre-scoping interconnection consultations on May 3, and more time is needed to fully engage Hydro One on this issue before submission. This is especially true as (a) the results of the E-LT1 are still underway and significant changes to zonal interconnection capacity are expected, and (b) Hydro One just announced potential changes to the setbacks previously outlined in the December 2022 Transmission Interconnection Requirements update.</li><li data-bbox="889 1104 1511 1493">2. In order to promote success and streamline the Deliverability Test process, the IESO should issue an updated and explicit Deliverability Guidance that specifies the available interconnection capacity (or, at the very least, the deliverability status) for all of Ontario’s 115 kV and 230 kV transmission circuits. Issuing this document could eliminate the need for a Deliverability Test process altogether.</li><li data-bbox="889 1503 1511 1692">3. Due to the binary nature of the Deliverability Test outcome, more time is needed after the Deliverability Test results are released for proponents to finalize project sizing and determine specific interconnection costs.</li><li data-bbox="889 1703 1511 1850">4. The IESO has provided 10 business days to comment on draft LT1 RFP and Contract provisions. ESC believes this is too short a time to provide detailed and thoughtful</li></ol>

Topic	Feedback
	<p>comments and solutions to any issues flagged by proponents. Alectra Convergent Development JV strongly recommends that the IESO provide 20 business days to provide feedback on the draft LT1 RFP and Contract.</p> <p>Given the proposed COD in 2027, Alectra Convergent Development JV supports extending the LT1 Process timeline to ensure the success of projects selected.</p>
<p>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.</p>	<p>No comment.</p>
<p>The removal of locational Rated Criteria points due to a provincial wide Capacity need within the timeframe of the LT1 RFP.</p>	<p>As the sole source of generation procurement and resource adequacy in Ontario, the IESO’s elimination of locational Rated Criteria in the LT1 RFP results in a missed opportunity to provide capacity in areas that desperately need it, and specifically the Greater Toronto Area. Storage represents an ideal solution to the capacity limitations facing the GTA in the coming decades, but development of these non-emitting, smaller-scale storage resources is more expensive in the GTA due to land and development costs. For this reason, the IESO should include locational Rated Criteria for assets in the GTA.</p> <p>More broadly, Alectra Convergent Development JV recommends the IESO begin developing a regional capacity procurement path for specific regions facing capacity shortfalls to meet long-term system needs. Ontario’s hybrid market requires long-term contracts or rate-regulated funding to support investment in new resources in the province.</p>

Other or General Comments/Feedback:

During the Hydro One portion of the LT1 engagement sessions, Hydro One stated that connection impact assessments can reveal issues with interconnection points that cannot be determined until a detailed analysis has been completed. In many cases, changes to the point of interconnection may be needed for both the proponent and for Hydro One operations. Specifically, changes to the point of interconnection can speed up connection timelines by avoiding unnecessary complex connection arrangement. Optimization of the project and existing transmission/distribution system is a natural process in the development, construction and interconnection of a new resource. The LT1 Contract should reflect this natural process and provide reasonable support for changes recommended by the transmitter or distributor to point of interconnections. In particular, IESO has stated that no change to Point of Interconnection (POI) can be made due to Deliverability Test results. This hard restriction is illogical and does not reflect prudent development or support for the target COD timelines for LT1 projects. Alectra Convergent Development JV recommends the LT1 Contract retain the ability to adjust points of interconnection based on recommendations from the connection authority (i.e., IESO SIA or Transmitter CIA or Distributor CIA). The ability to adjust the point of interconnection could include appropriate safeguard for Deliverability by allowing the previous Deliverability model to be used to assess the point of connection change or allow reasonability assessment by the IESO. Further to that point, the GPS coordinate tie can be very specific when shifts of connection point from one tower to another would have no impact on deliverability and should be allowed if there are prudent reasons to do so.

Related to interconnections, the IESO has identified short-circuit limitations as a reason a project may receive a "Not Deliverable". Given the hundreds of millions of dollars of investment that is required for these projects to provide capacity to the province over 20 years, the IESO should be offering a path for proponents to fund the upgrade of short-circuit limits as part of their bid process. In many cases, particularly under a 1,600 MW procurement target, short-circuit limit upgrades at cost-effective sites may be less money than pursuing more costly sites.

Further related to interconnections, determining a point of interconnection and managing the best three requests for deliverability test assessment of a project is severely handicapped in Ontario. Proponents must work with incomplete data and analysis since there is no central data repository to access transmission network maps and system layouts. Instead, proponents are left piecing together a view of the Ontario network using sporadic and outdated information. This means the IESO is receiving subpar bid and deliverability test requests. The IESO should immediately begin instituting a Critical Energy Infrastructure Information (CEII) process to allow qualified applicants the ability to access information needed to develop projects. This is important beyond the LT1 procurement and is required for the multitude of resources that Ontario will need to develop over the next decade. For the LT1 procurement, Alectra Convergent Development JV strongly recommends that the IESO establish an ad hoc process for qualified applicants to receive a regional transmission map for their projects to assist in determining a point of interconnection before the deliverability test submissions.

Lastly, Alectra Convergent Development JV would like to request urgent clarification from the IESO regarding two topics:

1. The number of submissions allowed in the LT1 Deliverability Test Process. The E-LT1 Deliverability Test Process allowed for 10 projects; given that the E-LT1 Category 2 Process is ongoing, we are requesting that the IESO either consider (a) raising this cap to 15 projects

for the LT1 process, or (b) not counting E-LT1 Category 2 projects towards the 10 project cap in the LT1 process.

2. The 600 MW cap on awards to individual proponents. During the May 4 engagement webinar, the IESO stated it was reconsidering this cap; clarification is urgently required, as it impacts the volume of pre-development proponents are undertaking.