

Feedback Form

Long Lead-Time RFP – June 5, 2025

Feedback Provided by:

Name: Paul Norris

Title: President

Organization: Ontario Waterpower Association

Email: [REDACTED]

Date: June 17 2025

To promote transparency, feedback submitted will be posted on the LLT RFP engagement page unless otherwise requested by the sender.

- ☐ **Yes – there is confidential information, do not post**
☒ **No – comfortable to publish to the IESO web page**

Following the LLT RFP June 5, 2025, engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed. The presentation and recording can be accessed from the [LLT engagement web page](#).

Note: The IESO will accept additional materials where it may be required to support your rationale provided below. When sending additional materials please indicate if they are confidential.

Please submit feedback to engagement@ieso.ca by June 17, 2025.

Resource Eligibility and Rated Criteria

Hydro Resources - Redevelopments

Do you have any information to share in support of expanding eligibility to include hydro redevelopments, expansions or upgrades?

There is significant potential to upgrade, expand and redevelop Ontario's existing non-rate regulated hydroelectric facilities (>150 assets). The LLT should enable such investments through a mechanism that provide for incremental energy and capacity to be bid into the RFP, harmonized with SHP and NHP contracts for existing generation (in alignment with the Minister's May 8 2024 letter to the IESO regarding the NHP).

LDES Resources

Do you have any comments on the eligibility of LDES technologies?

We encourage stakeholders to submit recommendations on any other LDES technologies that you believe should be eligible along with supporting documentation (a) outlining why the suggested technology requires a long lead-time for development, and (b) demonstrating that it can operate reliably over the term of the LLT contract.

Storage Duration & Rated Criteria

Do you have any comments or information to share regarding storage duration or rated criteria that the IESO should consider when evaluating projects under the LLT RFP?

RFP Design Considerations

Proposal & Completion and Performance Security

Do you have comments on the proposed approach and security amounts?

The OWA notes that per Section 5.1 in both the existing IESO SHP and HCI Contracts, Performance Security is not required unless there is "...a contiguous 6-month period that is greater than 75% of the Contract Price...". We recommend that the approach to Performance Security requirements be aligned with those in HCI and SHP.

Interdependent Hydro Facilities (Energy Only)

Do you have any comments or additional information to share with the IESO?

Specific project details may be shared in a separate document. Please include the following: list of individual facilities, including the capacity of each (in MW), that are looking to be considered under

a single proposal, proposed project location/related river systems; and any other information you think would be helpful.

As outlined in the IESO's previous engagement, a significant number of hydroelectric projects have been brought forward through the 2024 RFI process, some of which may be interdependent (both with new and existing facilities). New hydroelectric facilities on an existing managed system will be integrated into the system "Water Management Plan", as required under the *Lakes and Rivers Improvement Act* (MNR).

Deliverability

Do you have any information to share to support the IESO in determining the approach to offering a project specific consultation (or assessment)? Specifically, the IESO is interested in better understanding what information proponents require, and when this is needed, prior to submitting a proposal.

Long-Term Outages

Do you have any comments on the proposed approach to allowing suppliers to take one long-term outage for major maintenance activities during the contract term?

Specific details may also be shared in a separate document outlining the following: the nature of the work required as part of the long-term outage; the maximum duration of the outage (e.g., 6 months); and when the outage is expected to occur over the course of the contract term (e.g., year 20).

The OWA recommends including a provision for supplier-initiated long-term outages for upgrades, expansions and redevelopments, as reflected in a Long- Term Operating Plan with length(s) as determined by the proponent on a project-specific basis.

Contract Price Escalation

Do you have feedback for the IESO to consider when establishing the contract price escalation for contracted long lead time resources?

Contract prices should be indexed at 100% of inflation (or an industry-specific index) between contract execution and facility commissioning and at 100% thereafter.

The LLT contract should also include risk-management provisions similar to those included in the LT2-1 contract (e.g. tariffs)

General Comments/Feedback

Please include any other feedback that you think may be relevant to inform the IESO's report back to the Minister of Energy and Mines.

The OWA remains supportive of the separation of procurements for the energy and capacity streams and the focus on hydroelectric resources in the former. The OWA also recommends that, as is the

case for LT2-1, contractual incentives be provided for those hydroelectric facilities that achieve commercial operation in advance to the 8-year development timeline.

In addition to the inclusion of rated criteria points for Indigenous equity participation, the IESO should consider a “price incentive” for projects led by or in partnership with Indigenous communities.

Finally, given that the vast majority of greenfield waterpower projects are expected to be proposed on provincial Crown land, the IESO should directly engage and involve MNR in the RFP development process, as was done with LT2-1 to provide clarity on the requirements for Crown land access.