

Feedback Form

Long-Lead Time RFP – January 28, 2026

Feedback Provided by:

Name: Paul Norris

Title: President

Organization: Ontario Waterpower Association

Email: [REDACTED]

Date: February 10, 2026

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

☒ **NO - There is confidential information, do not post**
☐ **YES - Comfortable to publish to the IESO web page**

Following the January 28th Long Lead-Time RFP 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 RFP engagement webpage](#).

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 February 11, 2026.

Policy Considerations

Buy Local Policy Provisions

The IESO is seeking stakeholder feedback to understand:

1. Whether proponents were already planning to source at least 50% of goods, services and workforce related to the project locally (i.e., from Ontario/Canada)
 - a. For those Proponents that were not planning this, is it possible and what would the cost implications be?
2. An indication of Projects that would be unable to source at least 50% of goods, services and workforce locally regardless of cost implications

Are there any other considerations the IESO should be aware of?

Is there any additional feedback you would like to provide in response to the proposed local supply plan requirement currently under consideration?

The OWA supports, in principle, the proposal that a proponent develop and submit a “plan” with respect to “local” supply but notes that it will generally be far too early in the development process to provide detailed information on specific product and service providers. In our view the plan should:

- Consider all goods, services and workforce through the entire lifecycle of the project’s development and contract term as eligible within the total spend to achieve the %;
- Not differentiate between Ontario and Canada with respect to eligibility (i.e. use Canada); and
- Recognize the products and services of companies having a workforce in Canada as eligible, regardless of their international footprint.

LLT Design Considerations

Resource Eligibility – Capacity

Do you have any feedback on the proposed updates to resource eligibility requirements for LLT Capacity Projects?

Access Rights for LLT Energy Projects

The IESO is seeking feedback on the following:

Requirements for Projects Locating on Federal Crown Lands

- Process for obtaining access rights to federal Crown lands.

Parks Canada uses a “survey permit” as the instrument to provide initial access to a waterpower site on federal waterways.

- Timelines related to obtaining a federal priority permit and what stage Proponents would expect to have reached by the Proposal Submission Deadline (e.g., priority permit granted)

Proponents should have a Survey Permit from Parks Canada by the Proposal Submission Deadline. A Priority Permit will be issued later in the pre-development process.

Modifications Required to the Project Site Definition

The LLT(e) RFP currently defines Project Site as all Properties on which the proposed LLT Energy Project is to be located, excluding any Connection Line.

- The IESO would like to understand whether this should be updated to consider other impacts of hydro projects (e.g., flood zones) that will be known at the time of Proposal Submission Deadline

The level of detail proponents will have at the time of Proposal Submission Deadline will vary based on the amount of pre-development work they have been able to undertake (note, MNR is not accepting Crown Land applications until the LLT Program Rules and Contract are finalized). Proponents should have the flexibility to define their initial "Shapefile" as is appropriate at the time of submission and modify thereafter based on the harmonized Class Environmental Assessment/Lakes and Rivers Improvement Act predevelopment process.

Is there any other feedback regarding access rights that the IESO should be aware of?

It is imperative that MNR's Crown land application process be streamlined and aligned with the launch of the LLT procurement.

Periods of Reduced Water Availability (Energy)

Do you have any feedback on the proposed approach for mitigating financial impacts in instances of high-market pricing where Facility production is impacted by conditions outside of the Suppliers' control?

The OWA strongly supports this proposal.

Regulation Service Readiness Requirements

Do you have any feedback on the proposed regulation service readiness requirements?

No comment

Prescribed Forms

Do you have additional feedback to share on the draft Prescribed Forms?

Note: Stakeholders are welcome to attach a separate document that contains comments on the draft documents. Please indicate if separate documents are confidential.

General Comments/Feedback

Do you have additional feedback to share with the IESO?

As previously communicated, the OWA remains concerned about the opaqueness of the IESO's approach to the establishment of a "reserve price" for the LLT-e procurement and, in particular, the consistent reference to the LT2 procurement as a potential reference point. As has been recognized, the attributes and value of technologies procured through LT2 differ considerably from hydroelectricity. Again, we strongly recommend that key considerations in the formulation of such a reserve price include:

- The results of the most recent IESO competitive procurement of hydroelectric projects through the 2016 Large Renewables Procurement as represented by the published approximate weighted price range;
- Application of appropriate inflation indices since;
- The unique values perpetual hydroelectric assets provide to the electricity system and to local/regional/provincial economies;
- Hydroelectric bids into recent IESO Long-Term procurements; and
- Recently completed and anticipated hydroelectric developments by OPG.

In addition, as was raised during the session, we urge the IESO to include within the definition of "new hydroelectricity" expansions and redevelopments of existing facilities which provide additional energy/capacity to the system. This will serve to broaden the pool of projects competing in the RFP. Furthermore, all waterpower projects including expansions and redevelopments providing unique electricity system benefits and non-electricity benefits that would not be appropriately valued if such projects were restricted to participating in the LT2 program. In order to address the IESO's concern regarding contract term for such expansions and redevelopments, we recommend that proponents of these projects be provided the opportunity to bid price/term pairs into the RFP.

The current price formula limiting indexation to CPI is also not adequate for these very "capital intensive" projects and long development/construction cycle. Mitigating these risks will reduce the contingencies and make projects more competitive overall.

For example, in past long lead time procurement in Québec, Hydro-Québec has accepted prices indexed to specific indices prior to NTP or COD, such as long-term interest rates on debt financing, steel products manufacturing, copper and Fx rate. OWA members would be pleased to work with the IESO to present reasonable alternatives to CPI.

Finally, there is growing concern that, by design, the LLT-e procurement may restrict the participation of some otherwise eligible projects. The introduction of a reserve price, tight procurement timelines, uncertainty regarding Crown land access and the municipal electoral cycle have all been cited as potential barriers by proponents expecting to invest \$hundreds of thousands in preparing a single project bid. It will be important to assess the impacts of design on the outcome of this first LLT in preparing for the next one.