

Feedback Form

Long Lead-Time RFP – February 26, 2026

Supply Chain Disclosure - Feedback

Feedback Provided by:

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Date: March 5, 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 February 26th 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 Long Lead-Time 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 March 5, 2026.

Supply Chain Disclosure

Do you have any feedback on the proposed requirements and incentives that are under consideration related to supply chain disclosure?

PUI, in alignment with the OWA, supports in principle, the province's efforts to encourage investment in Canada, where possible, through this procurement and through subsequent procurements of all technologies.

Policy measures must be reasonably achievable both at the time of contract issuance and at commercial operation, which for hydroelectric projects, is a period of up to eight years. Given this, some flexibility must be built into the design to account for supply chain changes between the time of contracting and commissioning.

We would reiterate that procurement for Canadian goods and services will need to be protected in the event this content requirement is contested.

Please indicate how the proposed requirements and incentives under consideration would impact project decisions regarding the sourcing of goods and services.

Is a 75% threshold (for civil works or total spend) for Canadian goods and services achievable for your project?

- The 75% threshold for civil works goods is reasonable
- The 75% threshold for civil works services is reasonable, provided that the definition of Canadian Services included any company that has a physical location, employees and pays taxes in Canada, regardless of company size and where the head office may be located.
- The threshold for total project spend should be adjusted to 50%, as was initially proposed by the IESO in the January engagement session. Many turbine/generator suppliers are located outside of Canada and these equipment costs can exceed 25%. The selection of the water to wire equipment is very location specific and may not always be available with Canadian suppliers.

Do you have any feedback that should be considered when establishing definitions of terms such as: "Canadian Materials", "Canadian Services", "Canadian Supplier", "Civil Works"?

- Eligible civil materials for hydroelectricity should be those associated with dams, dykes, overflow spillways and penstocks, canals, fishways and fish bypasses, the powerhouse, related ancillary structures, access roads and transmission corridors.

Do you have any additional feedback that should be considered in relation to this policy?

Yes, the presentation indicates that “Should the Supplier be unable to meet the requirement, the application of liquidated damages is under consideration”. This vague proposal at this late stage of the design process only adds additional risk to those already existing (extremely short timelines, municipal election, reserve price and contract price escalation). The IESO must be absolutely clear regarding the penalty measures associated with a supplier’s inability to achieve the final supply chain thresholds. In addition, we recommend that Suppliers be given the opportunity to demonstrate “best efforts” in advance of Commercial Operation with respect to issues beyond the Supplier’s control, especially since the time to construction will be at least four to five years away.

PUI recommends, in alignment with the OWA, that as is the case with Indigenous participation, the IESO establish a “sliding scale” approach to supply chain incentives, as follows:

Rated Criteria	Priority Points	Reduction of Bid Price
75% civil works spend for Canadian Goods	2	2%
75% civil works spend for Canadian Services	1.5	1.5%
50% of total project spend in Canada	1.5	1.5%
Total	5	5%

General Comments/Feedback

Do you have additional feedback to share with the IESO?

PUI requests additional clarity of the practical application of the proposed rated criteria system as it applies to the bid price and its relationship with the reserve price. Below is an example (incorporating the recommended “Supply Chain” Rated Criteria system) of our interpretation in this regard.

The presentation indicates that:

- The available Rated Criteria points create opportunities for Indigenous leadership and participation in the LLT RFP; the Evaluated Proposal Price Impact is up to 5%; and
- Dependent on the Indigenous Participation Level; the Evaluated Proposal Price Impact is up to 5%.
- Should the IESO accept our recommendation on Supply Chain rated criteria points for the energy, with a maximum Evaluated Proposal Price Impact of up to 5%, the total maximum Rated Criteria impact on the Evaluated Proposal Price would be 15% (as is the case for the capacity stream).

In simple terms, as we understand it, a Submitted Price of \$1/MWh with the maximum Rated Criteria points would have an Evaluated Proposal Price of \$0.85/MWh. Provided the Evaluated Proposal Price is less than the “Reserve Price” and the energy target has not been exceeded, the project is accepted. Please confirm our understanding is correct.