



**MARCH 26, 2026**

# Long Lead-Time Request for Proposals

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# Purpose

The purpose of this session is to continue discussing design considerations related to the Long Lead-Time Request for Proposals (LLT RFP).

# Agenda

Today's engagement will cover the following topics:

1. Policy Updates
2. RFP Design Considerations
3. Contract Design Considerations
4. Response to Stakeholder Feedback
5. Next Steps



# Policy Updates

# Directive & Procurement Launch Timelines

- The LLT Directive is no longer expected by the end of March, which may delay the expected April launch.
- The IESO continues to advance preparatory work and will share a revised procurement timeline with stakeholders once timelines are confirmed.

# Supply Chain Disclosure Plan (1)

- At the time of Proposal submission, it is proposed that all Proponents will be required to submit a Supply Chain Disclosure Plan (SCDP) that includes:
  - A breakdown of the Proponent's Total Project Supply Chain Costs, based on whether the goods (including Construction Materials) and services (including Construction Labour) are expected to be sourced from Canadian Suppliers
  - A reporting of the percentage of the Proponent's Total Project Supply Chain Costs that are expected to be sourced from Canadian Suppliers, and an explanation for why any particular goods or services not expected to be sourced from Canadian Suppliers have been sourced elsewhere
- There is no minimum percentage requirement for the SCDP or subsequent requirements under consideration, unless the Proponent elects to pursue the additional incentives available for sourcing construction materials and labour within Canada (see slides 9-10)

## Supply Chain Disclosure Plan (2)

- For greater clarity, the following is expected to apply:
  - Goods will be considered to be supplied by a Canadian Supplier if they have been or will be manufactured within Canada. For greater clarity, goods manufactured in Canada from components sourced from outside of Canada will be considered to be supplied by a Canadian Supplier.
  - Services will be considered to be provided by Canadian Suppliers if the main office of the entity/natural person or the ultimate controlling entity/person has headquarters or a main office located in Canada, or all of the natural persons physically performing the particular services are performing the services in Canada and are ordinarily resident in Canada
- If awarded an LLT Contract, the SCDPs of Selected Proponents will be confidentially shared with the Ministry of Energy and Mines

# Supply Chain Incentives (1)

- It is also proposed that Proponents that commit to sourcing a minimum percentage of the total cost of their Construction Materials and Construction Labour from Canadian Materials and Canadian Construction Labour Suppliers will be eligible for a reduction in their Evaluated Proposal Price (see table below):

<b>Committed Canadian Content Percentage</b>	<b>Evaluated Proposal Price Reduction</b>
100%	3%
≥ 90% but less than 100%	2.5%
≥ 80% but less than 90%	2%
≥ 70% but less than 80%	1.5%
≥ 60% but less than 70%	1%
less than 60%	0%

## Supply Chain Incentives (2)

- Where this incentive is sought by the Proponent, the Proponent shall be required to:
  - (i) Specify its minimum sourcing percentage commitment in its Proposal; and
  - (ii) Submit an attestation to the IESO at the time the project reaches Commercial Operation, confirming that the committed minimum sourcing percentage was achieved
- If a Supplier cannot demonstrate that they met their committed percentage, the application of Canadian Content Requirement (CCR) Liquidated Damages is under consideration in the following alternative amounts, up to a maximum of \$5 million

<b>Shortfall Category</b>	<b>CCR Liquidated Damages Rate</b>
Less than or equal to 5%	\$1,000* Maximum Contract Capacity *(Canadian Content Shortfall %*100)
more than 5%	\$2,500 * Maximum Contract Capacity* (Canadian Content Shortfall %*100)

# Supply Chain Incentives (3)

For example, a project with a Maximum Contract Capacity of 100 MW, would have the following CCR Liquidated Damages apply, depending on the Canadian Content Shortfall %:

Committed Canadian Content Percentage	Actual Canadian Content Percentage	Canadian Content Shortfall Percentage	CCR Liquidated Damages Rate	CCR Liquidated Damages
80%-90%	80%	0	N/A	0
80%-90%	77%	3%	\$1,000/MW-CC-Shortfall	\$300,000
80%-90%	70%	10%	\$2,500/MW-CC-Shortfall	\$2.5 million
80%-90%	40%	20%		\$5 million
80%-90%	20%	60%		<b>\$5 million</b>

Max CCR Liquidated Damages



# RFP Design Considerations

# Provincial Crown Land Projects (MNR)

- The IESO has worked with MNR to finalize the requirements for Provincial Crown Land Projects
  - The IESO will continue to work with MNR to finalize the MNR Confirmation Letter
- MNR is in the process of updating the Crown Land Site Report (CLSR) form and will communicate when it is available; this is expected to align with procurement launch. The [existing form](#) continues to be a useful resource as many requirements remain the same
- For more information on applying to conduct exploratory/pre-development work please visit: [Renewable energy predevelopment projects on Crown land | ontario.ca](#)
- Proponents are encouraged to contact MNR with any questions related to energy projects on provincial Crown land at: [MNRFRenewableEnergySupport@ontario.ca](mailto:MNRFRenewableEnergySupport@ontario.ca)
- MNR will attend a future webinar to provide an overview of the process for submitting and reviewing the CLSRs, issuing the MNR Confirmation Letter, as well as any updates/modifications

# Federal Crown Lands Projects (Parks Canada)

- The IESO has engaged with Parks Canada Agency on the requirements for Proposals with projects located on federal Crown land/waterways managed by Parks Canada Agency
- The IESO understands that at time of Proposal submission a Proponent may have: i) a Survey Permit, ii) a Priority Permit, iii) an existing executed lease
  - Note, LLT RFP Access Rights requirements will depend on whether the Proponent has a Survey Permit, a Priority Permit or an existing executed lease at time of Proposal Submission, please see the slides that follow for more information
- For more information on accessing federal Crown land/waterways managed by Parks Canada Agency please visit: [Dominion Water Power Regulations](#)
- Proponents are encouraged to contact Parks Canada Agency with any questions related to energy projects on federal Crown land/waterways at: [forceshydrauliques-dirwaterpower@pc.gc.ca](mailto:forceshydrauliques-dirwaterpower@pc.gc.ca)

# Access Rights: General Requirements

- The IESO will be posting updated draft documents including the Prescribed Form: Access Rights to the Website in the coming days, which will reflect the following:
  - Projects proposing to locate on: i) private land or ii) Federal Crown Land that is not managed by Parks Canada and subject to a Survey Permit or Priority Permit, as part of Proposal Submission the Proponent must include:
    - A map with a single scale showing the outer boundary of the Project Site;
    - Parcel registers or equivalent evidencing the registered owners;
    - A letter addressed to the IESO from the documented title holder, or an existing executed lease in favour of the Proponent, as applicable; and
    - An acknowledgment that the Proponent may need to secure rights to lands beyond the Project Site for certain technologies as may be required by Laws and Regulations

# Access Rights: Provincial Crown Land (MNR)

- For projects proposing to locate on provincial Crown land managed by the Ministry of Natural Resources, as part of Proposal submission the Proponent must include:
  - The MNR Confirmation Letter;
  - Provincial Crown Land Shapefile, consistent with the Project Site information contained in the Crown Land Site Report (CLSR) form;
  - An attestation confirming that:
    - The Project Site information contained in the Provincial Crown Land Shapefile is consistent with the Project Site information included in the CLSR form referenced in the MNR Confirmation Letter; and
    - The Project Site does not overlap with or use any of the same Crown land as any AOR Held Lands for which the Proponent is not the Applicant of Record; and
  - An acknowledgment that the Proponent may need to secure rights to lands beyond the Project Site for certain technologies as may be required by Laws and Regulations

# Access Rights: Federal Crown Land (Parks Canada)

- For projects proposing to locate on federal Crown land managed by Parks Canada Agency and subject to a valid Survey Permit or Priority Permit, as part of Proposal submission the Proponent must include:
  - A copy of the valid Survey Permit or Priority Permit (“Permit”);
  - A Federal Crown Land Shapefile consistent with the Project Site information contained in the Permit;
  - An attestation confirming that:
    - The Project Site information contained in the Federal Crown Land Shapefile is consistent with the Project Site information included in the Proponent’s Permit; and
- An acknowledgment that the Proponent may need to secure rights to lands beyond the Project Site for certain technologies as may be required by Laws and Regulations

# Access Rights: Crown Land Shapefiles

- As part of Proposal submission, Proponents proposing a Provincial Crown Land Project or a Federal Crown Land Project with a Survey Permit or Priority Permit must submit a shapefile
- To support Proponents in completing the shapefile the IESO will publish on its Website the LLT Crown Land Shapefile Guidelines, including a shapefile template. The [LT2 Crown Land Shapefile Guidelines](#) can be used as reference
- The shapefiles will be utilized during Stage 2 & 5 Evaluation to ensure that the IESO does not award Contracts to overlapping Project Sites
- Proponents proposing a Provincial Crown Land Project cannot overlap with AOR Held Lands for which the Proponent is not the Applicant of Record. To support the AoR analysis the MNR has published:
  - [Waterpower AoR Sites](#)
  - [Windpower AoR Sites](#)

# Reserve Price

- The IESO has received feedback from stakeholders suggesting that the Reserve Price should be aligned with alternate resources that are comparable to those being procured through each stream of the LLT RFP; the IESO will consider this feedback when establishing the Reserve Price
- The Reserve Price is intended to be a price ceiling that is reflective of the IESO's willingness to pay for LLT energy and capacity resources, the IESO is not attempting to set a target price based on an estimate of the cost of these resources
- The Reserve Price will apply to the submitted price, not the Evaluated Proposal Price (which is used solely for the purposes of prioritizing projects when awarding contracts)

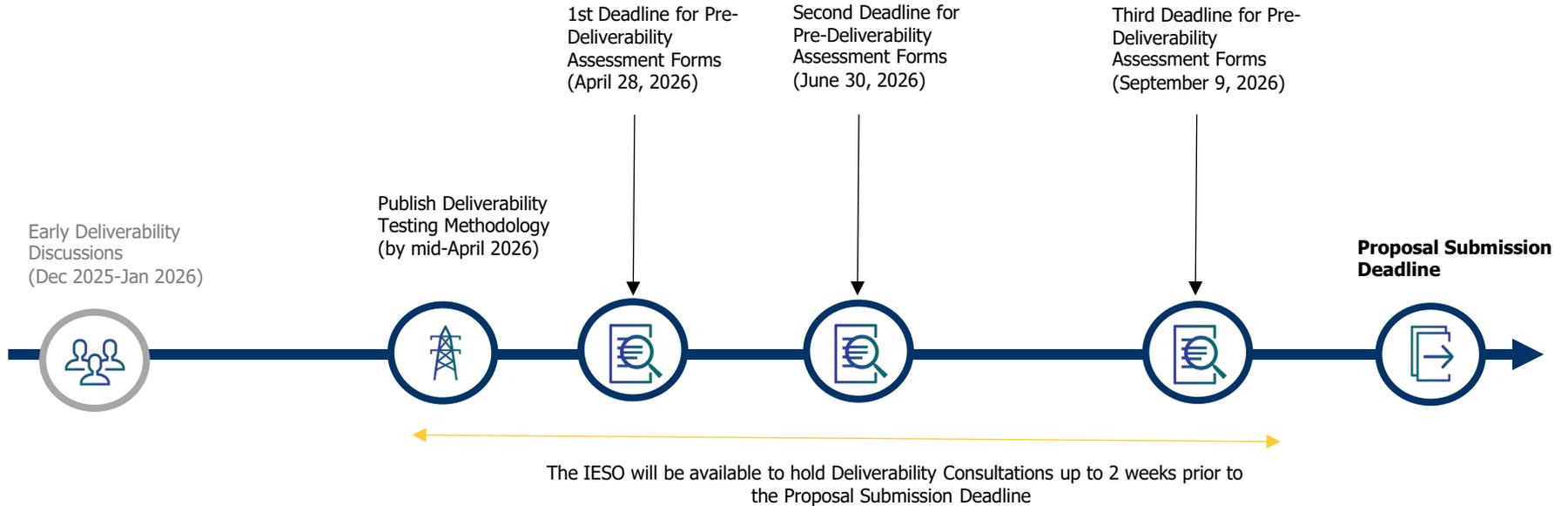
# Reserve Price

- To preserve cost-effective procurement outcomes, the baseline for the Reserve Price will continue to be based on LT2 window 1; this will be adjusted for inflation to account for the later Milestone Date for Commercial Operation for long lead time projects
- For the second half of the Contract term, the IESO will also consider the cost of new entry that would be expected to apply in the future
- The valuation of other attributes such as supply diversity, longer lifetimes, duration, domestic sourcing and additional value streams will also be considered; the IESO encourages stakeholders to submit any documentation (e.g., reports, analysis) to be considered as part of this determination

# Deliverability Approach for LLT

- Provide preliminary connection guidance as part of this engagement presentation
- Publish a Deliverability Testing Methodology document, which includes both pre-deliverability and Deliverability considerations
- Perform project specific pre-deliverability tests as LT2-W1 results become available
- Perform evaluation stage deliverability testing (the Deliverability Test) as a component of Proposal evaluation
  - LLT Capacity Projects be tested first, followed by LLT Energy Projects

# Pre-Deliverability Activities



The timelines presented above are approximate and are subject to change based on overall procurement timelines

# Pre-Deliverability Test Guidance\*

- Transmission reinforcements with in-service dates of 2031-2035 (see Appendix A) are expected to make new connection point opportunities available and some localized circuit capacity increases in addition to what was available for LT2 window 1
- In comparison to guidance provided for LT2 window 1, area congestion limits are generally expected to increase in the order of ~100 MW in Eastern Ontario; the East of Bowmanville limit should increase even further
- Area congestion limits in the West and North are not expected to change
- Treatment of short-circuit and protection limitations in LT2 window 1 RFP will continue for the LLT RFP

\*Note: This guidance does not take into account LT2 window 1 results

# Pre-Deliverability Test

- Pre-deliverability tests will be conducted to provide prospective Proponents with project-specific deliverability information
- A Pre-Deliverability Test Intake Form will be posted to the [LLT RFP Website](#) by April 1:
  - Prospective Proponents may submit up to 3 forms per stream, with each submission consisting of one connection arrangement and one proposed project size for testing
  - Additional forms may be submitted, indicating their order of priority. However, these will only be tested on a best-effort basis at an equal number for all prospective Proponents
  - The IESO will aim to provide results within 3 weeks of each deadline
- If a project is identified as undeliverable during this test, the IESO may identify potential *common-corridor* alternatives that could enable the project to become deliverable

# Deliverability Test Assumptions and Principles

- The pre-deliverability test methodology will be similar to the LT2 RFP deliverability test methodology documents. Main differences include:
  - All proposed projects will be tested for deliverability individually
  - For LLT Capacity Projects, the test will be performed with the projects charging at a percentage of their maximum Withdrawal Capability as a function of their minimum roundtrip efficiency ( $P_c = P_{max}/2 * \text{Eff}_{min}$ )\* over the forecasted 16 off-peak hours
    - For example, a project with 50% of round-trip efficiency, would be tested at 100% of its maximum charging power
  - Local Distribution Companies will provide deliverability guidance similar to LT2 window 1; please reach out to them individually for connection guidance
- Evaluation stage deliverability testing will be similar to that of LT2 RFP, apart from the change mentioned above for charging Capacity projects

# Deliverability Consultations

- Beginning April 1, Proponents may request deliverability consultations; this is an opportunity to discuss your project with the IESO's Transmission Planning team
- To schedule a virtual consultation, email [engagement@ieso.ca](mailto:engagement@ieso.ca) with the Subject Line: LLT RFP Consultation and provide the following information:
  - Questions you wish to ask during the consultation
  - List of Attendees
  - Preferred date and time (provide at least two options)
- Consultations will be held until two weeks before the Proposal Submission Deadline



# Contract Design Considerations

# Regulation Services Readiness Requirements (1)

- LLT Capacity Projects connected to the Transmission System with a Nameplate Capacity  $\geq 20$  MW will be subject to the Regulation Services Readiness Requirements
- Under the Regulation Services Readiness Requirements, the Facility must be capable of providing Regulation Services, including meeting the following requirements:
  - Minimum regulation capacity of +/-10 MW and associated Ramp Rate of at least 50% of that capacity
    - For example, a Facility capable of providing +/- 50MW of Regulation Services Capacity must have a Ramp Rate of at least 25 MW/min
  - Installing Regulation Services Equipment

## Regulation Services Readiness Requirements (2)

- At Proposal Submission, as part of the Prescribed Form: Proponent Information, Declaration, and Workbook, Proponents will attest that their Facility will be designed in a manner to meet the Regulation Services Readiness Requirements
- Under the LLT(c) Contract, as a requirement to achieving Commercial Operation, an Independent Engineer must verify that the Facility has met the Regulation Services Readiness Requirements (i.e., confirm that the Facility is capable of providing Regulation Services, including having installed the Regulation Services Equipment)
- Within 18 months of the Commercial Operation Date, Suppliers will be required to use Commercially Reasonable Efforts to satisfy all Regulation Services Testing Requirements, per the applicable IESO Market Rules and Manuals

# Withdrawal Capability Check Test (1)

- As part of the mandatory requirements under the LLT(c) RFP, LLT Capacity Projects will be **required to have a Withdrawal Capability that is equal to or greater than the Contract Capacity**
- This will be checked as part of Proposal Evaluation, based on inputs provided in the Proposal Workbook
- Under the LLT(c) Contract, Commercial Operation will require:
  - Confirmation that the Facility has passed a Performance Test (equivalent to the requirements of a Capacity Check Test, including a Withdrawal Capability Check Test); and
  - IE Certificate confirming that the Facility has a Withdrawal Capability that is equal to or greater than the Contract Capacity

## Withdrawal Capability Check Test (2)

- As part of the Withdrawal Capability Check Test portion of the Performance Test, will follow the Delivery Capacity Check Test and the Supplier will be required to confirm the ability of the Facility to:
  - Withdraw Electricity at a maximum instantaneous rate that is equal to or greater than the Monthly Contract Capacity for the CCT Duration or until the Facility is Fully Charged
- Following the Final Capacity Check Test (if applicable):
  - If the Tested Withdrawal Capability is less 100% but greater than 85% a Withdrawal Capacity Reduction Factor (WCRF) will apply;
  - If less than 85%, this shall be considered a Supplier Event of Default



# Response to Stakeholder Feedback

# Early Long-Lead COD

## What we've heard from stakeholders

- Consent for early long-lead CODs should not be at the IESO's sole discretion; instead, consent should be "not unreasonably withheld"
- Project financeability is highly sensitive to timing. A project that is financially viable with a six-year lead time may not remain viable with a seven-year lead time. As currently drafted, the IESO language introduces uncertainty that could impede financeability

## IESO Response to Feedback

- The IESO intends to update the language in Article 2.3 of the LLT Contracts such that written consent related to a request for an Early Long Lead COD shall not unreasonably be withheld

# Reserve Price

## What we've heard from stakeholders

- The IESO should offset the risk of the Reserve Price by waiving submission fees and committing to a second procurement round if target are not met

## IESO Response to Feedback

- The Proposal Fee is intended to support the costs associated with proposal evaluation; as such the IESO will not return proposal fees should the Proposal Price be higher than the confidential Reserve Price
- At this time, the IESO expects to be directed to run a single window of the LLT RFP. Future windows will be at the discretion of the Ministry of Energy and Mines and are expected to depend on procurement outcomes (e.g., pricing, contracts awarded, remaining targets) and system needs

# Timelines

## What we've heard from stakeholders

- The IESO should run the LLT RFP and window 2 of the LT2 RFP in parallel to enable cross-technology partnerships, allow Proponents to meet domestic content requirements at lower cost, and share connection costs
- The IESO should extend the Proposal Submission Deadline of the LLT RFP up to the end of December

## IESO Response to Feedback

- The LLT RFP and LT2 RFP are distinct procurements with unique timelines, targets and design features. Each procurement will proceed independently
- The IESO will extend the Proposal Submission Deadline of the LLT RFP to November 26, 2026

# Municipal Support Confirmations

## What we've heard from stakeholders

- Concern with the Municipal Support Confirmation (MSC) requirement, particularly in a municipal election year
- Suggestions included replacing MSCs with municipal comments and standardized Community Support Funds, or shifting MSCs to a post-bid, condition-of-award requirement

## IESO Response to Feedback

- In order to manage stakeholder concerns related to the timing of the municipal election, the IESO has released final versions of the Prescribed Form: Evidence of Municipal Support that can be used for the purposes of obtaining support confirmations
- The requirement to obtain municipal support at the time of Proposal Submission is a policy requirement, included in government direction, consistent with what has been done in the LT2 RFP. The IESO expects to receive the same policy direction for the LLT RFP

# Interdependent Hydro Facilities

## What we've heard from stakeholders

- Certain hydro projects involve multiple related sites (e.g., facilities on cascading river systems) or shared infrastructure
- Where projects are interrelated, they should be linked as part of proposal evaluation such that contracts would only be awarded if all interdependent projects are successful

## IESO Response to Feedback

- To ensure fairness to all Proponents across IESO procurements, and to avoid issues with the deliverability testing process this would introduce (e.g. having to re-start testing in the event of certain failures), the IESO will not allow proposals to be linked for the purposes of sharing common infrastructure. Proposals will be evaluated independently based on the process set out in Section 4 of the RFPs



# Next Steps

## Next Steps

- The IESO invites stakeholder feedback on the materials presented today, including the proposed procurement considerations, by using the feedback forms provided; **feedback is due by April 15, 2026**
- The IESO is targeting to post updated drafts of the RFPs and Contracts, certain Prescribed Forms and the Pre-Deliverability Test Intake Forms to the [Website](#) on April 1, 2026
- The IESO is also targeting to post the Deliverability Testing Methodology document to the website by mid-April 2026
- All written feedback should be submitted to [engagement@ieso.ca](mailto:engagement@ieso.ca) utilizing the IESO Feedback Form posted on the engagement webpage
- If you have any questions regarding the LLT RFP, please send them to [LLT.RFP@ieso.ca](mailto:LLT.RFP@ieso.ca)



# Q&A

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# Thank You

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# Appendix A: Connection Guidance for Pre-deliverability testing

# Transmission Projects Considered

- This information provided in this Appendix is intended to help proponents identify areas with greater potential for incremental capacity relative to the LT2-Window 1 connection guidance. This table will also be provided in Appendix A of the "Deliverability Test Methodology for LLT" document.

Transmission Projects Considered In-service for 2035	Zone	Target In service Date
New 2-CCT 230 kV Transmission Line between Lakehead and MacKenzie (Waasigan Phase 1)	Northwest	2026
New 1-CCT 230 kV Transmission Line between between MacKenzie and Dryden (Waasigan Phase 2)	Northwest	2027
<b>New 2-CCT 230 kV Transmission Line from Dryden to Ear Falls</b>	Northwest	2032
<b>New 2-CCT 230 kV Transmission Line from Ear Falls to Red Lake</b>	Northwest	2032
<b>New 1-CCT 230 kV Transmission Line from Longlac to Nipigon (Greenstone Transmission Line)</b>	Northwest	2032
New 1-CCT 500 kV Transmission Line from Mississagi to Hanmer	Northwest	2029
New 2-CCT 230 kV Transmission Line from Mississagi to Third Line	Northwest	2029
New 1-CCT 230 kV Transmission Line (built to 500 kV standard) from Porcupine to Wawa	Northwest	2030
<b>New 1-CCT 500kV Transmission Line from Hanmer to Essa</b>	Essa	2032
New 2-CCT 230 kV Transmission Line from the Clarington to Dobbin	East	2030

# Transmission Projects Considered (2)

Transmission Projects Considered In-service for 2035	Zone	Target In service Date
<b>New 230 kV switching station in Kanata North area connected to Merivale through a new 2-CCT 230 kV Transmission Line</b>	Ottawa	2033
Richview to Trafalgar 230 kV Conductor Upgrade	Toronto	2026
Richview to Manby Transmission Reinforcement Phase 2	Toronto	2030
<b>New 1-CCT 500 kV Radial Transmission Line from Claireville to Kleinburg with three 500/230 kV autotransformers at Kleinburg</b>	Toronto	2032
<b>New 2-CCT 230 kV Transmission Line from Kleinburg to Kirby (north of Vaughan MTS #4)</b>	Toronto	2032
<b>Bowmanville B - New 500 kV station to connect Small Modular Reactors</b>	Toronto	2032
<b>New 2-CCT 500 kV Transmission Line from Bowmanville towards Toronto bypassing Cherrywood</b>	Toronto	2032
<b>New 900-MW underwater HVDC transmission line from Bowmanville A to Hearn</b>	Toronto	2034-2037
<b>Essa to Orangeville 230 kV Conductor Upgrade</b>	Southwest	2029
<b>Wellington - New 500/230 kV autotransformer station in Puslinch that will sectionalize and re-terminate 500 kV circuit M585M, from Middleport to Milton and V586M, from Middleport to Claireville.</b>	Southwest	2031

# Transmission Projects Considered (3)

Transmission Projects Considered In-service for 2035	Zone	Target In service Date
<b>New 2-CCT 230 kV Transmission Line from Wellington to Preston</b>	Southwest	2031
<b>New Milton 230 kV station with two 500/230 kV autotransformers that will connect into two existing Trafalgar to Burlington 230 kV circuits, T38B and T39B</b>	Southwest	2032
New 2-CCT 230 kV Transmission Line from Chatham to Lakeshore	West	2025
<b>Buchanan to Middleport 230 kV Conductor Upgrade</b>	West	2027
New 2-CCT 230 kV Transmission Line from Lambton to Chatham	West	2028
New 1-CCT 500 kV Transmission Line from Longwood to Lakeshore	West	2030
<b>New 2-CCT 230 kV Transmission Line from Lakeshore to Lauzon</b>	West	2032

Projects highlighted in **bold** are new, in comparison to projects considered in LT2w1 RFP