Long-Term 2 RFP – April 21, 2026

Feedback Provided by:

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To promote transparency, feedback submitted will be posted on the Long-Term 2 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 April 21st Long-Term 2 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-Term Procurement 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 May 8, 2026.**

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Transparency and Information Disclosure

Do you have feedback on whether the IESO should publish additional non-price information about proposals that were not selected in LT2 Window 1?

Environmental Defence strongly supports the publication of additional aggregated non-price information related to unsuccessful proposals from LT2 Window 1.

The LT2(e-1) procurement was reportedly oversubscribed by approximately four times despite being a technologically agnostic procurement open to multiple resource types, demonstrating substantial market interest in non-emitting electricity development across Ontario. However, the limited public information currently available does not fully illustrate the scale, geographic distribution, or diversity of project interest that emerged through the procurement process.

Publishing additional non-sensitive information related to unsuccessful proposals would improve transparency, strengthen market confidence, and support better public understanding of Ontario's clean energy development potential.

Examples of useful information that could be publicly disclosed include:

- project technology type;
- approximate project size/capacity;
- broad geographic location or municipal region;
- Indigenous participation levels;
- anonymized proposal statistics;
- aggregated pricing information, where it can be disclosed without compromising future competition; and
- high-level reasons for non-selection.

Importantly, additional transparency could also support municipalities and communities in understanding where significant clean energy development interest already exists. This information may help support evidence-based local decision-making, improve municipal familiarity with renewable energy opportunities, and help identify regions where strong local support for non-emitting energy types are already emerging.

Since Municipal Support Resolutions (MSRs) are required for projects sited on municipal lands, greater visibility into the number and distribution of supported but unsuccessful projects could help strengthen public understanding of existing municipal readiness and local support for renewable energy development.

Better visibility into the location and characteristics of unsuccessful proposals could also help identify regions with strong latent renewable development potential and inform future transmission planning priorities, municipal planning discussions, and future procurement design considerations.

Greater transparency may also help proponents better understand procurement outcomes, improve proposal quality in future windows, reduce speculative development activity, and strengthen confidence in Ontario's procurement framework.

Other jurisdictions, including British Columbia and Quebec, have publicly released additional non-price procurement information while maintaining appropriate protections for commercially sensitive information. Ontario should continue advancing similar transparency measures that improve procurement efficiency and public confidence while protecting proprietary information.[1]

Environmental Defence also encourages the IESO to provide longer engagement and proposal development timelines in future procurement windows to better support informed municipal and community participation.

Through Environmental Defence's work tracking and engaging with dozens of municipalities during the LT2(e-1) procurement process, we observed that many councils had limited information regarding the LT2 process, procurement framework, and the role of Municipal Support Resolutions within the broader project approval pathway.

In many cases, councils appeared to interpret the MSR decision as a one-time and irreversible decision on whether a project should proceed, rather than one component within a broader planning, permitting, and consultation process that would continue through subsequent stages such as zoning, permitting, and environmental approvals. Coupled with compressed engagement timelines and widespread misinformation regarding renewable energy development, this frequently contributed to delayed or denied MSR decisions.

Environmental Defence therefore encourages the IESO to continue improving municipal engagement materials, public education resources, and procurement timelines in future procurement windows to better support informed municipal decision-making and meaningful community participation.

Do you have feedback on the potential benefits and risks of increased transparency for unsuccessful proponents in future procurement windows?

Environmental Defence believes the benefits of increased transparency substantially outweigh the risks, provided commercially sensitive information remains protected.

Increased transparency can help demonstrate the scale of market interest in non-emitting electricity development to municipalities, Indigenous communities, policymakers, and the public. This is particularly important given the strong level of competition observed in LT2 Window 1 and the growing need for affordable non-emitting electricity resources in Ontario.

Improved visibility into procurement outcomes can also:

- support more informed municipal and provincial decision-making;
- help proponents better understand competitive dynamics and deliverability constraints;
- improve future proposal quality;
- support community education and public confidence; and
- help identify regions where additional transmission planning or procurement opportunities may be warranted.

Environmental Defence recognizes the importance of protecting commercially sensitive pricing and bid strategy information, particularly where proponents may rebid into future procurement windows.

However, aggregated and anonymized data can provide substantial public value without undermining procurement integrity or competitive fairness.

Repowering Eligibility Framework

Do you have feedback on the proposed requirement that facilities complete a minimum of three years of a medium-term contract before becoming eligible for repowering?

Environmental Defence supports keeping viable existing non-emitting electricity projects online and ensuring they can be repowered or recontracted with minimal unnecessary administrative burden. Projects that are already built, operating, and capable of continuing to provide affordable non-emitting electricity should not be required to jump through additional procedural steps that could delay modernization or risk losing existing clean energy supply.

Environmental Defence does not support making completion of a minimum three-year medium-term contract a strict precondition for repowering eligibility where a project is otherwise viable, already connected, and able to continue providing public value. Existing non-emitting assets should be preserved wherever possible, particularly given Ontario's growing electricity needs and the importance of maintaining affordable clean supply.

More broadly, Environmental Defence supports repowering, but does not believe repowering should be treated simply as another competing category within the LT2 process. Viable existing non-emitting projects should have access to a streamlined repowering and recontracting pathway that is additional to LT2, with appropriate contract lengths and safeguards. This would allow Ontario to preserve existing clean generation while ensuring LT2 remains focused on procuring additional new non-emitting resources needed to meet future demand.

Repowering and recontracting existing non-emitting assets should be treated as a complementary system-planning tool, not as a substitute for new clean electricity procurement. Ontario needs both: to keep existing clean resources online and to build new non-emitting supply.

Do you have feedback related to scenarios where repowering work may overlap with existing contract obligations?

Environmental Defence supports reasonable flexibility allowing repowering work for non-emitting facilities to overlap with existing contract obligations where proponents can continue to meet all reliability and contractual obligations.

Alternate Eligibility Pathways for Repowering

Do you have feedback related to specific existing facilities that do not fit into the proposed repowering framework and may justify an alternate pathway? Please include as much detail as possible (technology type, facility age, contract history etc.).

Recognizing that such details are important to the IESO's decision making in this matter but potentially also commercially sensitive to asset owners, please feel free to mark such details as confidential on this form or, alternatively, reach out to the IESO by email to schedule a meeting to discuss your situation.

Environmental Defence again stipulates that repowering and recontracting for existing non-emitting assets should be treated as a complementary system-planning tool, not as a substitute for new clean electricity procurement. The LT2 must remain focused on procuring additional new non-emitting resources needed to meet future generation and capacity requirements.

Definition of Repowering

Do you have feedback on the definition of repowering? i.e., on the potential use of technology specific equipment replacement thresholds to define repowering?

Environmental Defence believes repowering should primarily focus on supporting the transition away from fossil fuel generation toward non-emitting electricity resources as existing contracts expire and aging infrastructure reaches end-of-life. Repowering should also support the modernization of existing non-emitting electricity infrastructure through the replacement of aging equipment with newer, more efficient technologies that can improve affordability, reliability, and grid performance.

Environmental Defence does not support a technology-agnostic approach to Ontario's electricity procurement framework. Procurement frameworks should recognize the differing emissions impacts, affordability outcomes, and public health implications associated with various electricity generation technologies.

However, Environmental Defence does support a transparent and flexible repowering framework that enables cost-effective modernization of existing non-emitting electricity infrastructure while maintaining appropriate accountability, affordability, and procurement integrity safeguards.

Environmental Defence has no additional technical comments regarding specific equipment replacement thresholds at this time.

Repowering Guardrails and Risk Mitigation

Do you have feedback on the use of enhanced independent engineer certification as a key safeguard for repowering projects?

Environmental Defence has no detailed technical comments regarding certification methodologies or performance security structures at this time, but supports maintaining appropriate safeguards to ensure long-term project performance and procurement integrity.

Do you have feedback on the potential application of modified or increased performance security requirements for repowered facilities?

No comment.

Deliverability Guidance and Timing

Do you have feedback on the IESO's proposed phased approach to deliverability guidance updates for LT2 Window 2?

Environmental Defence supports the IESO's proposed phased approach to deliverability guidance updates for LT2 Window 2 and appreciates the IESO's efforts to improve transparency related to transmission availability and connection opportunities.

Timely and predictable deliverability guidance remains critical to maintaining market confidence and supporting cost-effective project development. Delays or uncertainty related to deliverability information can increase development risk, raise project costs, and disadvantage otherwise viable projects.

Environmental Defence therefore encourages the IESO to continue exploring opportunities to accelerate deliverability updates, provide regular public updates regarding transmission constraints and available capacity, and improve predictability for proponents across procurement windows.

Environmental Defence also notes the IESO's indication that significant capacity may remain available in Southwestern and Eastern Ontario. Continued transparency regarding regional transmission opportunities and constraints will be important for supporting efficient project siting and future procurement participation.

As Ontario prepares for significant long-term electricity demand growth, improved transparency regarding procurement participation, transmission availability, and deliverability constraints can help support more coordinated long-term infrastructure planning and more efficient alignment between procurement outcomes, municipal readiness, and transmission investments.[2]

General Comments/Feedback

Do you have additional feedback to share with the IESO?

Environmental Defence believes the results of LT2 Window 1 demonstrate exceptionally strong market interest and competitiveness for non-emitting electricity resources in Ontario. The procurement's strong participation levels, competitive pricing, and high levels of Indigenous participation indicate that Ontario's clean energy sector is capable of delivering substantial quantities of affordable electricity generation.

Environmental Defence welcomes the strong levels of Indigenous participation observed through LT2(e-1), with all selected projects reportedly including at least 50 per cent Indigenous participation. Continued support for Indigenous partnership opportunities should remain an important component of future procurement design and implementation.

At the same time, Environmental Defence encourages the IESO and the Province to continue improving transparency, engagement, and capacity-building supports related to Indigenous partnerships and equity structures within procurement processes. Through discussions with on-the-ground partners, Environmental Defence understands there may be significant variability in how Indigenous equity partnerships are structured and how long-term benefits are distributed.

Environmental Defence has also heard concerns regarding how Treaty rights holders are identified and engaged in certain projects and whether nominal equity participation consistently translates into meaningful long-term community benefits. Environmental Defence therefore encourages continued efforts to ensure Indigenous communities — including Treaty rights holders where applicable — are provided with sufficient information, engagement opportunities, and independent capacity supports to fully evaluate potential partnership arrangements and long-term project implications.

Environmental Defence also encourages the IESO and Province to publish clearer guidance with minimum standards regarding Indigenous equity partnerships and Community Benefit Agreements (CBAs). Greater transparency and consistency around these agreements could help support more equitable outcomes, improve community understanding of partnership structures, and strengthen long-term public confidence in Ontario's electricity procurement framework.

Environmental Defence also remains concerned that elements of the LT2 capacity procurement framework may advantage fossil gas generation and other fuel-backed resources relative to non-emitting reliability resources. In the LT2(c-1) RFP, the rated criteria structure awards up to three points for 12+ hour duration capability from "Non-Electricity Storage Facilities" — while awarding two points for 12+ hour Electricity Storage Facilities and zero points for resources capable of delivering between eight and twelve hours. In practice, this category of Non-Electricity Storage Facilities can include fossil fuel-fired generation. Because rated criteria points are used to reduce a project's Evaluated Proposal Price for ranking purposes, this structure can provide a material evaluation advantage to fossil fuel-backed resources over electricity storage and other non-emitting reliability solutions.[3]

Environmental Defence does not support procurement scoring that gives fossil gas generation or other fossil fuel resources an advantage without fully accounting for greenhouse gas emissions, local air pollution and public health impacts, fuel-price exposure, regulatory risk, and long-term stranded-asset risk. Procurement frameworks should not treat these externalities as irrelevant to affordability or reliability.

Environmental Defence recommends that the IESO and Province review and revise rated criteria and risk-sharing mechanisms in future LT2 capacity windows to ensure fossil gas is not advantaged relative to non-emitting resources. At minimum, duration-related rated criteria should be applied evenly across resource types that can provide equivalent reliability services. Preferably, rated criteria should be redesigned to prioritize non-emitting reliability solutions, including storage, demand response, distributed energy resources, and other clean capacity resources, where they can meet system needs.

Footnotes

1. BC Hydro, 2024 Call for Power Participants List; Hydro-Québec, 2024 Solar Procurement Results.
2. Independent Electricity System Operator (IESO), Annual Planning Outlook 2026, projecting Ontario electricity demand growth of approximately 65% by 2050.
3. IESO, *LT2(c-1) RFP*, Section 4.3 Rated Criteria and Section 4.4 Evaluated Proposal Price formula; IESO, *LT2(c-1) Contract*, definition of “Non-Electricity Storage Facility.”