Feedback Form

Long-Term 2 RFP – April 21, 2026

Feedback Provided by:

Name: Andrew Thiele

Title: VP Policy and Government Relations

Organization: Energy Storage Canada

Email: [redacted]

Date: May 8th, 2026

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.**

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?

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

Energy Storage Canada supports transparency in procurements where it strengthens market confidence and improves bid quality. However, this must be balanced with the need to protect commercially sensitive information particularly in a multi-window process like LT2.

ESC does not support the disclosure of project-specific or identifiable information for unsuccessful proposals, including precise locations. Many non-selected projects remain viable for future windows. Releasing identifiable details risks exposing proprietary development work (e.g., siting, interconnection strategy, land agreements), undermining competitive positioning, and discouraging participation.

There is clear value in increased transparency where information is aggregated and non-identifiable.

The IESO could provide:

- High-level summaries of bid volumes by region
- Technology and duration breakdowns
- General reasons for non-selection
- Aggregated pricing insights

This would improve market understanding and support stronger future bids without compromising proponents. This approach supports competitive tension, protects investment, and maintains a strong pipeline of projects for future procurements.

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?

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

Energy Storage Canada supports the inclusion of repowering eligibility, including the proposed requirement for facilities to complete a minimum of three years under a medium-term contract. This approach can expand the pool of eligible resources and increase competition, ultimately supporting more efficient procurement outcomes.

However, ESC continues to note the inherent advantages existing facilities may have when competing directly with new-build projects. Careful consideration should be given to maintaining a level playing field to ensure continued investment in new resources alongside repowering opportunities.

On permitting and regulatory requirements, ESC strongly supports the grandfathering of existing approvals where a project's footprint or environmental impacts do not materially change. Requiring existing facilities to re-permit under current frameworks would introduce unnecessary cost, timeline risk, and complexity. Maintaining existing exemptions,

including for municipal and Indigenous support resolutions and environmental permitting, is appropriate where facilities continue to operate within their approved scope.

For medium-term contracts (5–15 years), life-extension projects should not trigger new mandatory requirements. These facilities are already approved, operational, and capable of continuing to provide critical system value. For long-term repowering, a similar principle should apply. Imposing new permitting requirements could significantly constrain the pool of viable projects at a time when additional capacity is needed.

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.).

ESC believes that and approach consistent with leading practices in other jurisdictions: CAISO, ERCOT, and PJM which all evaluate repowering through modernization or extension pathways rather than forcing direct competition with new builds, ensuring fair evaluation and clear price signals might be more appropriate. Adopting a similar model in Ontario improves cost transparency, maintains competitive discipline within each category, and ensures the province secures the optimal mix of repowered and new-built resources to meet growing system needs in a cost-effective and reliable manner.

The IESO should reserve its discretion to procure above the energy target for new-build projects and to procure above the energy target for repowering projects. These two separate targets should not be linked or interdependent in any way, therefore preserving the IESO's optionality to procure above either or both targets.

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?

Nothing to add

Repowering Guardrails and Risk Mitigation

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

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

Do you have feedback on whether these proposed guardrails are sufficient to manage performance and longevity risks?

Nothing to add

Deliverability Guidance and Timing

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

Energy Storage Canada appreciates the IESO's efforts to provide updated deliverability guidance to support LT2 procurement participation. Timely and accurate visibility into transmission capacity is critical for proponents as they advance site selection, interconnection strategies, and bid preparation.

ESC supports a revised, three-phased approach to deliverability guidance updates as outlined in the most recent stakeholder webinar. However, we do note a slight difference below versus what was presented.

1. An initial update in the near term to reflect any incremental transmission capacity since the last publication

2. A second update in mid-2026 (e.g., June/July), following LT2 (e-1) and (c-1) contract awards, to reflect awarded project impacts on system capacity

3. A final update shortly after LLT procurement awards in Q1 2027 to incorporate long lead-time project implications

Introducing an earlier mid-2026 update is particularly important. LT2 (e-1) and (c-1) results will materially impact deliverability across key zones, and without this information, proponents face uncertainty in identifying viable project locations for LT2 (e-2) and (c-2). Providing this update would enable more efficient project screening, reduce speculative development, and improve the overall competitiveness of future procurement rounds.

Beyond this immediate need, ESC recommends that the Independent Electricity System Operator move toward a more regular, cadenced approach to deliverability guidance. As procurements and system conditions evolve more rapidly, updates every four to six months would provide greater certainty and transparency to the market.

A structured and predictable update framework will better align development activity with system needs, strengthen investor confidence, and support the IESO in securing cost-effective, deliverable resources to meet Ontario's growing electricity demand.

General Comments/Feedback

Do you have additional feedback to share with the IESO?

A central and emerging theme is that deliverability, not project readiness, is becoming the primary constraint on new resource development. Transmission availability, connection timing, and system limitations (including interties, stability constraints, and protection requirements) are increasingly shaping where and how projects can proceed. While the Independent Electricity System Operator staged deliverability assessment process is a positive step, early signals suggest that constraints will persist, particularly in Northern Ontario, even as development interest remains strong.

This dynamic is already evident in LT2 Window 1 outcomes, which highlight a growing tension between policy objectives and system realities. The concentration of projects in certain regions and technologies reflects friction between priorities such as municipal support requirements, agricultural land constraints, and northern development preferences, and the underlying transmission capacity needed to deliver energy to load. Without careful alignment, these dynamics risk driving inefficient siting decisions, increased development costs, and reduced overall procurement effectiveness.

ESC encourages the IESO to continue refining how deliverability signals are integrated into procurement design. This may include providing clearer locational signals, improving transparency on constraint evolution, and considering whether future procurements require more explicit guidance on resource mix, energy attributes, or the role of hybrid and flexible resources. Storage can play a critical role in mitigating deliverability constraints by optimizing use of existing infrastructure and shifting energy across time and location.