

Feedback Form

Long-Term 2 RFP – April 21, 2026

Feedback Provided by:

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Title: Chair

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Date: 8 May 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?

ORA supports greater transparency regarding unsuccessful proposals in LT2 procurements, provided commercially sensitive proprietary details and bidder-specific confidential information are protected. Electricity procurement is ultimately conducted in the public interest and financed by Ontario ratepayers. Bid prices should be revealed only if it is in the best interests of ratepayers.

Where projects are selected or rejected under long-term contractual arrangements that may impose decades of financial obligations, stakeholders should be provided sufficient information to understand the basis of procurement outcomes, the relative competitiveness of bids, and the characteristics that materially influenced selection decisions.

Publishing additional information regarding unsuccessful proposals would improve public confidence in procurement integrity, strengthen competitive discipline, and provide proponents with clearer market signals regarding proposal quality, deliverability, risk allocation, and contract expectations. Greater transparency would also help stakeholders assess whether procurement outcomes align with stated system objectives, whether selection criteria are operating as intended, and whether procurement design unintentionally favours certain technologies, regions, or commercial structures.

ORA is particularly supportive of publishing aggregated information such as the quantity of unsuccessful capacity proposed by technology class, general regional distribution of unsuccessful bids, broad reasons for non-selection (for example, pricing, deliverability constraints, permitting limitations, technical readiness, financing concerns, or contractual non-compliance), and anonymized scoring ranges for rated criteria categories. That level of disclosure would materially improve understanding without undermining legitimate commercial confidentiality. **The ratepayer's interests must take priority in all areas, not the proponent's or technology's interests.**

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

The primary risk of increased transparency is disclosure of commercially sensitive project-level information that could disadvantage proponents in future procurements or reveal proprietary commercial strategies. That concern can be effectively managed through aggregation, anonymization, and delayed disclosure where necessary. Commercial confidentiality should be protected, but confidentiality should not be used as a blanket shield against meaningful public understanding of procurement outcomes.

In ORA's view, greater transparency generally should produce better procurement discipline, stronger public confidence, and better long-term protection of ratepayer interests.

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?

ORA supports reducing the minimum Medium-Term contract term from 5 years to 3 years before repowering eligibility. That change is a practical improvement because it broadens the pool of eligible existing facilities, reduces unnecessary delay, and recognizes that some aging facilities may not be well served by prolonged interim contracting before undertaking major refurbishment or repowering investments. ORA submits that it is in the ratepayers' best interests to limit contract terms to a maximum of 5 years, because of their vulnerability to low-flow periods and broader climate risk.

That said, ORA remains concerned that tying repowering eligibility to completion of a minimum Medium-Term contract term may still create unnecessary contractual complexity and may unintentionally limit participation by otherwise viable facilities. **Eligibility should ultimately be determined by demonstrated technical and climate readiness, operational value, hydrological fit for service, and system benefit, rather than by contractual chronology.** A rigid sequencing requirement risks favouring facilities that best fit an administrative pathway over those that offer the strongest value proposition for Ontario ratepayers.

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

ORA agrees that where repowering work overlaps with an existing Medium-Term contract, the supplier's existing contractual obligations should remain the primary operational obligation. Reliability commitments already contracted for should not be compromised by refurbishment sequencing or construction scheduling decisions. Any overlap framework should therefore place clear responsibility on proponents to demonstrate that repowering activities can proceed without undermining existing contractual performance obligations.

If overlap materially increases outage risk or operational uncertainty, repowering work should proceed after termination of the existing contract rather than concurrently.

Where facilities remain operationally sound and can demonstrate readiness for repowering without an extended Medium-Term bridge period, the IESO should preserve flexibility to consider alternate pathways that demonstrably improve ratepayer value, reduce delivery risk, or avoid unnecessary contractual layering.

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.).

ORA is not in a position to identify specific existing facilities that warrant alternate eligibility pathways. However, if alternate pathways are considered, eligibility should remain contingent on demonstrated technical readiness, operational performance, climate-readiness, dam-safety review, and confirmation that any applicable operating plans remain fit for purpose under projected future hydrologic conditions.

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?

ORA supports a broad performance-based definition of repowering, provided it is not limited to equipment replacement thresholds alone. For hydropower facilities, defining repowering solely by mechanical or infrastructure replacement is insufficient. Repowering should also consider demonstrated operational performance, climate-readiness, dam-safety review, and whether the operating regime remains suitable under projected future hydrologic conditions. A facility may be mechanically capable of continued operation yet no longer represent prudent long-term contracting under changing climate conditions.

Repowering Guardrails and Risk Mitigation

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

ORA submits that repowering should be contingent on a successful performance record, and, for hydropower facilities, a climate-ready assessment, completion of a Dam Safety Review by a qualified dam safety engineer, separate and apart from procurement-related Independent Engineer certification. The facility should also be assessed for suitability under projected future hydrologic conditions.

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

ORA supports that Repowering Projects must be subject to the same requirements as new-builds under the LT2 RFP and Contract and as set out in the IE Certificate for Commercial Operation.

For hydropower facilities, continued contracting should be contingent on a current dam-safety review, a climate-readiness and performance assessment, and confirmation that the facility's Water Management Plan remains fit for purpose under projected future hydrologic conditions.

Aging hydroelectric infrastructure and associated operating plans were largely developed around historical hydrology, not the increasingly variable future conditions now projected for Ontario, including greater drought frequency, more intense rainfall events, altered seasonal runoff patterns, warmer water temperatures, and increased ecological stress on freshwater systems. Before extending a hydroelectric facility through recontracting or repowering, proponents should demonstrate that both the physical infrastructure and the operating regime remain suitable under future climate conditions, including whether adjustments to Water Management Plan assumptions, flow management protocols, environmental mitigation measures, and fisheries protections are warranted.

Ontario's existing Water Management Plan reporting and effectiveness review framework provides a logical foundation for this climate-readiness reassessment, rather than creating an entirely new administrative requirement.

Long-term recontracting should not proceed on the assumption that historical hydrology remains a reliable operating baseline. It does not.

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

It is worth repeating that repowering should be contingent on a successful performance record (is the facility meeting its power generation targets), undergoes a climate-ready assessment, and undergoes a Dam Safety Review by a qualified dam safety engineer, separate and apart from procurement-related Independent Engineer certification.

Deliverability Guidance and Timing

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

ORA supports the IESO's phased approach to deliverability guidance updates, as it provides proponents with progressively better system information and reflects evolving procurement outcomes. Clear and timely deliverability guidance improves market certainty, proposal quality, and procurement efficiency. ORA encourages the IESO to maintain discipline in publishing each phase on schedule and to clearly communicate any material changes to connection assumptions or available transmission capacity so that proponents and stakeholders are not navigating a moving target without adequate notice.

General Comments/Feedback

Do you have additional feedback to share with the IESO?

ORA's primary concern is the increasing financial and risk burden being transferred to Ontario electricity ratepayers and taxpayers through procurement design choices that are being used to support hydropower development that cannot compete on its own merits.

The IESO's *Hybrid Resource Portfolio Equivalency Assessment* (August 2025) demonstrated that portfolios built from wind, solar, and battery storage can meet Ontario's electricity needs with reliability approaching 99.9 percent load served in modeled scenarios, all the way out to 2050.¹

That finding should have clarified Ontario's path forward. Instead, the Minister of Energy rejected that direction and directed the IESO to advance new hydropower procurement, stating that these competing technologies "*are deemed not well-suited to competing against resources with shorter development timelines and lifespans... but are able to offer unique benefits to Ontario's electricity system through resource diversification.*"² Unfortunately, the Minister did not identify or quantify these 'unique benefits,' nor demonstrate that they outweigh the higher cost, longer timelines, and increased risk associated with hydropower.

This is an explicit acknowledgment by the Minister of Energy that hydropower cannot compete with wind, solar, and battery storage under standard conditions. The response has not been to accept that result, but to adjust procurement structures to accommodate hydropower.

Hydropower proponents, through the Ontario Waterpower Association and direct engagement, have been clear in their position. They are seeking concessions in order to remain viable in procurement processes. These include:

- Adjustments to reserve price structures or exceptions for hydropower;
- Reliance on industry-led cost analyses to establish pricing thresholds;
- Reduced or modified performance security requirements; and

¹ *Independent Electricity System Operator. Hybrid Resource Portfolio Equivalency Assessment. August 2025. <https://ieso.ca/-/media/Files/IESO/Document-Library/Technical-papers/Hybrid-Resource-Equivalency-Assessment.pdf>*

² *Executive Council of Ontario Order in Council, dated April 16, 2026, signed by Minister of Energy and Mines, Stephen Lecce—Directive to the Independent Electricity System Operator. <https://www.ieso.ca/-/media/Files/IESO/Document-Library/corporate/ministerial-directives/Directive-from-the-Minister-of-Energy-and-Mines-20260423-LLT-RFP.pdf>*

- Access to multiple revenue streams through environmental attributes, clean energy claims, and other compensation mechanisms.^{3,4}

At the same time, procurement design is enabling the **stacking of payments and risk protections**, including:

- Energy payments,
- Capacity payments,
- Environmental attributes and Clean Energy Credits, and
- Contract provisions that mitigate performance risk.

This structure shifts risk away from proponents and onto ratepayers. Facilities are compensated through multiple channels, while accountability for performance under real-world operating conditions—particularly under climate stress—is weakened.

For instance, on the IESO’s request for feedback on periods of reduced water availability, Xeneca Power responded: “*we think any risk to the Supplier should be capped at a small amount so the Supplier can manage their exposure. The ratepayer would unfortunately pick up the cost, but a localized cost would have little impact on the price paid by the ratepayer. In such instances, this would be less costly than Suppliers incorporating open-ended potential risk into their underlying pricing models used for bidding into the IESO process.*”⁵ This is a direct request to cap proponent risk and transfer the remaining exposure to ratepayers.

Hydropower is uniquely exposed to climate risk. Its only fuel is water. Ontario’s *Provincial Climate Change Impact Assessment* projects increased drought frequency, greater variability in flows, and more extreme weather events.⁶ These conditions directly reduce generation potential. Yet procurement design is advancing **20- for repowered and 40-year for new fixed-price contracts** for hydropower, locking ratepayers into long-term financial obligations for a resource whose performance is expected to decline under those same conditions. Hydropower is therefore uniquely exposed to declining fuel availability over the life of these contracts.

This is not a hypothetical risk. The last four summers in Ontario have been some of the hottest and driest on record, with reduced flows across many watersheds. Under these conditions, hydropower generation declines precisely when electricity demand is highest. The risk is not

³ *Ontario Waterpower Association, dated 30 April 2026--Feedback on the Long Lead-Time Request For Proposals engagement of April 23, 2026.* <https://www.ieso.ca/Sector-Participants/Engagement-Initiatives/Engagements/Long-Lead-Time-RFP>

⁴ *PICO Hydro Power Inc., Feedback, dated 30 April 2026, Long Lead-Time Request for Proposals engagement of April 23, 2026.* <https://www.ieso.ca/Sector-Participants/Engagement-Initiatives/Engagements/Long-Lead-Time-RFP>

⁵ *Xeneca Power, February 5, 2026, Feedback on Long-Lead Time RFP – January 2, 2026.* <https://www.ieso.ca/-/media/Files/IESO/Document-Library/engage/llt/llt-rfp-20260211-feedback-form-Xeneca.pdf>

⁶ *Ontario Ministry of the Environment, Conservation and Parks (Climate Risk Institute). Ontario Provincial Climate Change Impact Assessment: Technical Report. 2023.* <https://www.ontario.ca/page/ontario-provincial-climate-change-impact-assessment>

borne by proponents. It is borne by ratepayers through contract structures that do not adequately protect against force majeure events or sustained changes in hydrologic conditions.

Despite this, the Minister of Energy,⁷ IESO,⁸ the Ontario Waterpower Association⁹ and hydropower proponents continue to call it “non-emitting” and/or “clean” within planning and procurement discussions. This is false—it’s disinformation.

Reservoir-based hydropower is not “fuel-free” and is not “non-emitting” or free of lifecycle greenhouse-gas emissions. Rudd, Harris, Kelly and Hecky asked, more than three decades ago, whether hydroelectric reservoirs are significant sources of greenhouse gases.¹⁰ Successive independent peer-reviewed studies have answered the question affirmatively. Deemer et al. (2016) provided a global synthesis of greenhouse-gas emissions from reservoir water surfaces.¹¹ DelSontro and colleagues (2010) documented that extreme methane emissions from a Swiss hydropower reservoir were the highest ever recorded for a midlatitude reservoir, and characterized CO₂ and CH₄ emissions from a eutrophic reservoir.^{12,13} Maeck et al. (2013) showed that sediment trapping by dams creates methane-emission hotspots.¹⁴ Keller et al. (2021) characterized the global carbon budget of reservoirs as dominated by hydroelectric reservoirs, with methane emissions reaching the intensity of a gas-fired facility.¹⁵ Wang et al. (2023) confirmed that inland waters increasingly produce and emit nitrous oxide.¹⁶

⁷ Ontario Ministry of Energy and Electrification. *Energy for Generations: Ontario’s Integrated Energy Plan to Power the Strongest Economy in the G7*. June 12, 2025. <https://www.ontario.ca/files/2025-07/mem-energy-for-generations-en-2025-07-18.pdf>

⁸ IESO: *2026 Annual Planning Outlook, Ontario’s electricity system needs: 2027-2050*, March 2026. Reference 18, PDF-53/93. <https://www.ieso.ca/-/media/Files/IESO/Document-Library/planning-forecasts/apo/2026/2026-Annual-Planning-Outlook.pdf>

⁹ Ontario Waterpower Association, dated 30 April 2026--*Feedback on the Long Lead-Time Request For Proposals engagement of April 23, 2026*. <https://www.ieso.ca/Sector-Participants/Engagement-Initiatives/Engagements/Long-Lead-Time-RFP>

¹⁰ Rudd, J. W. M., Harris, R., Kelly, C. A., and Hecky, R. E. Are Hydroelectric Reservoirs Significant Sources of Greenhouse Gases? *AMBIO*, vol. 22, pp. 1 to 3, 1993. https://www.researchgate.net/publication/283091278_Are_Hydroelectric_Reservoirs_Significant_Sources_of_Greenhouse_Gases

¹¹ Deemer, B. R., Harrison, J. A., Li, S., et al. *Greenhouse Gas Emissions from Reservoir Water Surfaces: A New Global Synthesis*. *BioScience*, vol. 66, no. 11, pp. 949 to 964, 2016. <https://academic.oup.com/bioscience/article/66/11/949/2754271>

¹² DelSontro, T., McGinnis, D. F., Sobek, S., et al. *Extreme Methane Emissions from a Swiss Hydropower Reservoir*. *Environmental Science and Technology*, 2010. <https://pubs.acs.org/doi/full/10.1021/es9031369>

¹³ DelSontro, T., del Giorgio, P. A., and Prairie, Y. T. *CO₂ and CH₄ Emissions from a Eutrophic Reservoir*. *Environmental Science and Technology*, vol. 44, no. 21, pp. 8217 to 8223, 2010. <https://pubs.acs.org/doi/10.1021/es1003838>

¹⁴ Maeck, A., DelSontro, T., McGinnis, D. F., et al. *Sediment Trapping by Dams Creates Methane Emission Hot Spots*. *Environmental Science and Technology*, pp. 8130 to 8137, 2013. <https://doi.org/10.1021/es4003907>

¹⁵ Intrinsic Corp. *GHG Emissions Associated with Various Methods of Power Generation in Ontario*. Report commissioned by Ontario Power Generation Inc., Project No. 20-22285. October 2016. P26/47 (Report was formerly available on OPG’s website). https://drive.google.com/file/d/1Ly8-gmDWBP8ojFIC8AaELmA2RHTOb1TI/view?usp=drive_link

¹⁶ Wang, Y. et al. (2023). *Inland Waters Increasingly Produce and Emit Nitrous Oxide*. *Environmental Science & Technology*, 57(36). <https://pubs.acs.org/doi/10.1021/acs.est.3c04230>

Ignoring these emissions while assigning environmental value to hydropower through Clean Energy Credits and related mechanisms constitutes an accounting inconsistency that undermines the credibility of government, industry leadership, proponents and procurement decisions.

Hydropower also imposes permanent physical impacts on public waterways. Dams alter flow regimes, trap sediment, increase turbidity, degrade water quality, and impair fish passage. These impacts persist and worsen over the entire life of the facility.

For communities living along these rivers, the consequences are immediate. Hydroelectric development **effectively privatizes public rivers**. Once a facility is constructed, the operator controls flows and water levels to meet generation requirements. Public use becomes secondary. Water levels can fluctuate hourly and/or daily. Shorelines destabilize. Ice conditions become unsafe. Activities such as swimming, boating, fishing, and winter use are directly affected. Public safety risks increase, including flood risk and rapid water level changes. For the most part, the river remains a public space, but its behaviour is controlled by the proponent.

There is also absolutely no requirement for the proponent to secure up-front **funds for decommissioning and site restoration when the facility is no longer viable**. Hydroelectric facilities are embedded in public waterways. Without secured end-of-life funding, these structures become long-term liabilities. As assets age and performance declines, the responsibility for environmental impacts, maintenance, and eventual removal shifts to future governments, ratepayers, and taxpayers. Many older dams have been failing due to extreme rain events.

LT2 is a technology-agnostic procurement. This means that **new hydropower projects of 1 MW and above may be approved**, and existing facilities may be repowered and advanced into long-term contracts. Without clear constraints, LT2 becomes an additional pathway for hydropower to secure long-duration, ratepayer-backed contracts, compounding the financial and environmental risks already present in other procurement streams, including the LLT RFP. ORA strongly recommends that hydropower projects must be limited to contracts of no more than 5 years, with renewal contingent on demonstrated performance and updated hydrologic assessment.

Ontario is also advancing approximately **200 to 250 MW of new hydropower through the Long Lead-Time Request for Proposals**, alongside **800 MW of pumped storage**, which should launch any day now. The province is also advancing **approximately 1,800 kilometres of new transmission lines**, designated as “priority projects,” reducing levels of scrutiny and limiting public consultation. These are cumulative, long-term commitments being made without a clear, consolidated accounting of total system cost and exposure.

The central issue is straightforward. Ontario has access to electricity resources that are faster to deploy, more flexible, and increasingly cost-competitive. The IESO’s own technical analysis confirms that these resources can meet system needs. Hydropower cannot compete with them

without important concessions, extended contract terms, and layered financial supports. All of which is placed on the backs of ratepayers and taxpayers.

Ontario does not need to build new hydropower to maintain reliability. Continuing to advance hydropower under long-duration, ratepayer-backed contracts is a policy decision that shifts financial, environmental, and climate risk onto the public in order to sustain a resource that is archaic, polluting, intrusive, and can no longer stand on its own.

Linda Heron, Chair
Ontario Rivers Alliance