

# Feedback Form

## Long-Term 2 RFP – July 4, 2024

### Feedback Provided by:

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Date: 2024-07-19

To promote transparency, feedback submitted will be posted on the Long-Term RFP engagement page unless otherwise requested by the sender. If you wish to provide confidential feedback, please mark "Confidential".

Following the LT2 RFP July 4, 2024, 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 LT RFP [engagement web page](#).

**Please submit feedback to [engagement@ieso.ca](mailto:engagement@ieso.ca) by July 19, 2024.**

## MT2 RFP

Topic	Feedback
Do you have any feedback regarding resource eligibility under the MT2 RFP?	<p>We believe all existing renewable resources within the stated timeframe should be eligible to participate, assuming they can confidently operate for the term of the contract.</p> <p>Additionally, we presently understand existing renewables will not be allowed to expand with BESS in MT2 (i.e. secure an Energy EPPA for wind/solar + separate capacity contract for a BESS expansion). Given both resources could leverage existing land and interconnection, we believe this should be incented by IESO in the MT2 procurement.</p> <p>While we disagree with this approach, we believe IESO should at minimum take steps to ensure the EPPA contract has the necessary language to not prevent battery hybrid expansions for other commercialization pathways (i.e., operating merchant, corporate PPA, etc.). The EPPA should contemplate a BESS expansion onsite (i.e., a template “expansion appendix”) and maintain the necessary language to not prevent such combined hybrid operations (must offer provisions, permitting, etc.).</p>
Do you have any feedback regarding the IESO’s proposed method of determining the procurement target for the MT2 RFP?	<p>Given the stated critical reliability need of MT2 and the energy/capacity shortfalls projected in late 2020s, we believe IESO should seek to maximize the procurement of operating and de-risked renewable facilities that have a proven track record of good performance for ratepayers.</p> <p>We believe no existing renewable resources in Ontario should be terminated or shut down early, and therefore recommend the procurement target enable as many projects to be re-contracted as possible to maximize benefits to Ontario ratepayers.</p>
Do you have any feedback regarding the contract structure or term length under the MT2 RFP?	<p>We believe IESO should consider 7-year and 10-year term options as well as 5-year timeframe. If proponents are required to deploy significant capital into ~20-year old operating projects, which can reasonably be expected, amortizing these costs over longer-term periods will generate greatest ratepayer savings outcomes.</p>

Topic	Feedback
Do you have any feedback regarding capacity qualification for the MT2 RFP?	<p>Regarding production factors for existing resources, we suggest IESO meet individually with proponents to better understand project-specific historical and future production forecasts. We also recommend ensuring further flexibility for unplanned/planned maintenance.</p> <p>We believe IESO should meet with the renewable / storage industry as well as industrial loads to discuss the capacity qualification for the MT2 RFP. Given the parallel discussions regarding corporate PPAs, it would be advisable to consider updates to the EPPA that better contemplate BESS expansions onsite as well as how capacity deliverability has been calculated in previous RFPs.</p>
Do you have any feedback regarding proposal submission fees and proposal security requirements for the MT2 RFP?	We believe IESO should require material proposal submission fees and security requirements (i.e., similar to LT1), given the reliability focus of MT2 to ensure “firm” bids to protect ratepayers.
Do you have any feedback to share regarding the IESO’s proposed method of proposal evaluation under the MT2 RFP	Generally, no. However, we remind the IESO of supply chain and commodity volatility combined with uncertain re-investment into existing ~20yr operating assets.

## LT2 RFP Capacity Stream

Topic	Feedback
Do you have any feedback to share regarding the capacity stream under the LT2 RFP?	<p>Given projected system capacity needs into late 2020s, we suggest IESO keeps targets on the higher end of stated 500 to 1,000 MW, and take into account the extent that RFPs are over-subscribed when formulating targets for future procurements.</p> <p>IESO should fully enable hybrid BESS expansions at existing resources, which have not been eligible in ELT1/LT1 and are not eligible in MT2.</p>

## LT2 RFP Proposal Evaluation

Topic	Feedback
Do you have any feedback to share regarding the IESO's proposed method of proposal evaluation under the LT2 RFP?	We would like to see more firm deliverability information before RFP submissions are due. Facilitating CIA / SIA assessments to be done before the RFP is launched and in advance of submission bids being formed will de-risk proposals and benefit ratepayers with added price certainty from proponents.

## LT2 RFP Proposal Security

Topic	Feedback
Do you have any feedback to share regarding the proposal security requirements under the LT2 RFP?	N/A

## General Comments/Feedback

Determining if project type and size is deliverable remains a major point of importance. Information released by IESO to date leaves no ability to confirm essential project details. Please provide as much connection and deliverability information as possible well in advance of the LT2 bid deadline.