

# Feedback Form

## Long-Term 2 RFP – May 21, 2025

### Feedback Provided by:

Name: Brandon Kelly

Title: Senior Manager, Regulatory and Market Affairs

Organization: Northland Power Inc.

Email: [REDACTED]

Date: May 29, 2025

To promote transparency, feedback submitted will be posted on the LT2 RFP engagement page unless otherwise requested by the sender.

- ☐ **Yes – there is confidential information, do not post**
- ☒ **No – comfortable to publish to the IESO web page**

Following the LT2 RFP May 21, 2025, 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 LT2 [engagement web page](#).

**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](mailto:engagement@ieso.ca) by May 29, 2025.**

## Post-Proposal Applicable Tariffs

Do you have any comments related to the approach to mitigating the risk of Post-Proposal Applicable Tariffs presented during the webinar?

Northland Power appreciates the IESO's efforts to address the risk of tariffs. In general, Northland is supportive of the approach taken by the IESO.

That said, proponents must have sufficient confidence in the de-risking mechanism to forgo including risk premiums in their bids. This comfort is inherently difficult to gain when the success of remediating realized risks is at the sole discretion of the IESO. In accepting this as a given feature of the IESO's proposal, the proposed treatment of proponents who are denied remediation by the IESO becomes an increasingly critical aspect of gaining confidence in the de-risking mechanism. To that end, the IESO retaining 50% of the Completion and Performance Security when an application is denied appears arbitrary and overly punitive. The Contract and Performance Security amount required by the IESO is already amongst the highest in North America; Retaining a far lesser amount will still appropriately dissuade frivolous or marginal applications for relief. Similarly, the IESO automatically terminating contracts when proponents' applications are denied is not appropriate. Presumably, the IESO has introduced the post-proposal mechanism so that proponents may avail themselves of the offered relief in circumstances that warrant it; However, the security retention and contract termination provisions introduce new and significant risks for proponents seeking that relief, to the point of rendering the mechanism non-viable.

Northland Power shares many of the additional concerns raised by the Renewable Consortium, including the arbitrary nature of the 10% increase to capital cost threshold, the limit of two relief applications, the duplicative and administratively burdensome application process, and the seeming lack of coverage for tariffs imposed by non-Canadian governments.

## Gas Turbine Delivery Delay Provisions

Do you have any comments related to the approach to handling potential delays in the delivery of gas turbines presented during the webinar?

Northland appreciates that the IESO has set out to address concerns regarding the challenges posed by current long-lead times for gas turbines and the potential impact this could have on achieving MCODs. Northland submits that these long-lead time concerns are not limited to just turbines, but high voltage switchgear, generator step up transformers, and certain other electrical equipment as well. Northland encourages the IESO to expand any long-lead time mitigation mechanisms to include these items. Additionally, liquidated damages and a fixed Longstop Date are not appropriate in circumstances where the IESO and proponent are aware of the potential delay well in advance of the bid window. Penalizing proponents for this known, largely intractable risk, will only encourage them to build the cost of potential liquidated damages into their bid prices.

## Crown Land Site Report and MNR Confirmation Letter

Do you have any comments related to the CLSR and MNR Confirmation Letter requirements presented during the webinar?

No comments at this time.

### LT2 RFP Deliverability Update

Do you have any comments regarding the deliverability guidance updates presented during the webinar?

No comments at this time.

### General Comments/Feedback

No additional comments at this time.