

Feedback Form

Long-Term 2 RFP – August 20, 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 August 20th, 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 September 4, 2026.

Repowering

Do you have feedback on the proposed requirements?

- Repowering: Requirement for Commercial Operation:

Section 2.5(a)(i)(E) of the draft contract requires that, for a Repowered Facility, work performed after the Contract Date be reasonably designed to enable the Facility to operate in accordance with the IESO Market Rules until the Expiry Date, with corresponding certification by the Independent Engineer. Boralex understands and supports the intent, which is to prevent cosmetic repowering. Our concern is that the standard as drafted is open-ended and subjective, and it is being asked of a third-party professional who carries liability for the certificate. For a facility contracted to 2052, an engineer is being asked to certify design life more than two decades forward on equipment that will be a mix of new and retained components.

We ask the IESO to publish objective guidance on what will satisfy this test, for example a scope-of-work threshold, a defined set of major components, an expenditure test measured against replacement cost, or reliance on an equipment manufacturer design life warranty. Without that, proponents face the prospect of arriving at commercial operation with financing drawn and construction complete, only to find that the certificate cannot be issued in the terms required. Because failure to achieve commercial operation triggers Delay Liquidated Damages at \$150 per MW-Business Day and ultimately the Longstop Date, the consequence of an unclear standard is severe and falls entirely on the proponent. We would also ask the IESO to confirm whether an engineer may qualify the certificate, and what follows if it is qualified.

- Repowering: Competition Mechanics:

We note that Section 4.5(a) of the draft RFP deems a Repowering Proposal to be Deliverable without a Deliverability Test where there is no proposed increase in Nameplate Capacity. Boralex does not object in principle, since the capacity is already connected, but we ask the IESO to confirm how incremental capacity is assessed where an increase is proposed, and whether a partial test applies to the increment alone.

Federal Crown Land

Please inform the IESO if you intend to site your project on federal Crown land.

We ask that the IESO provide further information around this question. If the IESO is considering extending the provincial Crown land framework, being the Public Land Site Report Form, the MNR Confirmation Letter, Crown Land Shapefiles and the Applicant of Record overlap rules, to federal lands, proponents will need to know well in advance. Federal land tenure and consultation processes operate on different timelines and through different authorities. We encourage the IESO to publish its intended approach even in outline form, so that proponents evaluating federal parcels can judge whether a Window 2 bid is realistic. We would also note that federal lands are frequently adjacent to or subject to Indigenous interests, and any framework should be developed with that in mind.

Disclosure of Additional Pricing Information for Window 1

Do you have feedback the IESO should consider when determining whether to release price curves for LT2 Window 1?

Boralex supports the release of price curves and encourages the IESO to proceed. Better price transparency improves the quality of bids, narrows the spread of speculative pricing, and helps proponents calibrate against the market rather than against assumptions. It also supports our conversations with partners, lenders and equipment suppliers, all of whom benefit from a credible view of where the market cleared.

Our recommendation is that the disclosure be anonymous and complete. Specifically, we ask the IESO to publish the full range of proposal prices, not only those of selected proposals, ordered from lowest to highest, for both the energy and capacity streams and covering all proposals evaluated in each. Publishing only the successful end of the curve would give a misleading picture of the competitive field. We support the IESO proposal to omit size and any other attribute that could be used to identify an individual proposal.

We would find it valuable for the curves to be broken out by technology, since the cost structures of wind, non-rooftop solar, rooftop solar, hydro, storage and gas are not comparable. Where a technology has too few proposals for a breakout to remain anonymous, those should be grouped or suppressed rather than published. A zonal breakout would be similarly useful if it can be done without compromising anonymity. Boralex would encourage the IESO to make this a standing practice after each window rather than a one-time release.

General Comments/Feedback

Do you have additional feedback to share with the IESO?

Transmission connection cost provisions

Boralex asks the IESO to address transmission connection cost risk directly. We are open to a preferred structural solution or simple reinstatement of the Window 1 mechanism. Sections 2.2(e) through (g) of the LT2(e-1) Contract allowed a supplier facing transmitter-estimated interconnection costs more than thirty percent above the IESO Generalized Tx Connection Cost Reference to obtain either reimbursement of seventy-five percent of the excess or a cost-free termination with security returned. The draft LT2(e-2) Contract removes that mechanism entirely, leaving a note that it remains under consideration. Its removal, with nothing put in its place, is in our view the single most significant adverse change between Window 2 and Window 1.

The underlying risk has not changed. Connection costs are estimated by the transmitter, not the proponent, and are refined long after the bid is priced. Section 4.5(b) of the draft RFP continues to state expressly that Deliverability Test results do not ensure the ability to connect a project or at any assumed cost. Asking proponents to carry unlimited interconnection cost risk from bid to commercial operation, with no relief and no exit, will be priced into bids as a risk premium, will deter bidding at constrained connection points, and will ultimately be paid by ratepayers.

Just as importantly, the current approach distorts the competition itself. Each proponent prices a different, privately held estimate of a cost that neither it nor the IESO can verify at the time of bid. Proposals are therefore not compared on a like-for-like basis, and the winning bid may simply be the one that took the most optimistic view of the HONI estimate. That is not a sound basis for awarding twenty-year contracts, and it rewards risk tolerance rather than cost discipline.

Boralex therefore recommends that transmission connection costs be removed from the bid price altogether. Under this approach, proponents would bid a Fixed Price that excludes the cost of interconnecting to the Connection Point. Following contract award, the actual connection cost would be established through the connection and cost recovery agreement with HONI and added to the Fixed Price, subject to a verification and prudence review by the IESO and to the proponent obligation to use Commercially Reasonable Efforts and Good Engineering and Operating Practices to minimize those costs. The IESO would pay the connection cost it actually incurs rather than a proponent risk-adjusted guess at it, and every proposal in the window would be evaluated on the elements the proponent genuinely controls: capital cost, financing, technology, resource quality and operating expense. This creates a level playing field for all participants, removes the incentive to underprice connection risk to win, and eliminates the risk premium that ratepayers currently fund whether or not the risk materializes.

If the IESO prefers to keep connection costs inside the bid, Boralex proposes a standardized allowance as the next best alternative. The IESO would specify a single connection cost figure that every proponent connecting to a Transmission System must carry in its bid, set at the cost of a standard three-breaker ring bus. Because all proponents would price the identical figure, connection cost would cease to be a source of differentiation between competing proposals and the evaluation would again turn on project fundamentals. Where a project can in fact connect more cheaply, most commonly through a T-tap rather than a full station build, the resulting saving would be returned to the IESO rather than retained by the supplier. Conversely, where actual costs exceed the standard allowance, the mechanism would need to be paired with a relief provision along the lines of the Window 1 exceedance regime so the risk of the difference does not simply revert to the proponent.

Boralex would be pleased to work with the IESO on the design of either mechanism, including the derivation of the standard ring bus figure, the treatment of distribution-connected projects, and the verification process for post-award cost recovery. Failing either approach, we would support a narrower version of the Window 1 mechanism, whether a higher trigger threshold, a cap on the reimbursement, or a termination-only right without reimbursement, in preference to no mechanism at all. In every case we ask that the IESO improve the transparency and granularity of the Generalized Tx Connection Cost Reference, publish it in a form that distinguishes between connection

configurations, and release deliverability guidance as early as possible so that proponents can site and price with confidence.

Domestic content requirements

Boralex has significant concerns with the domestic content framework as it currently appears in the draft. We understand the IESO position that the Long Lead-Time RFP language is placeholder text pending direction from government, and we offer these comments so they can inform that discussion.

Our principal concern is attainability. Boralex has undertaken supply chain analysis for the technologies we develop in Ontario, and the Canadian manufacturing base does not currently support high domestic content percentages in wind and solar. There is no meaningful Canadian solar module manufacturing, and Canadian wind component manufacturing is thin; for wind towers there is effectively a single domestic supplier we could procure from. In that environment the higher tiers of the incentive table are not commercially reachable regardless of intent, and a framework whose upper tiers cannot be met simply concentrates all bidders at the same low commitment level while adding cost and administrative burden for everyone.

The risk and reward balance also warrants review. The draft offers an Evaluated Proposal Price reduction of up to three percent at a one hundred percent Committed Canadian Content Percentage, against contract liquidated damages of up to \$2,500 per MW multiplied by the shortfall, capped at five million dollars and drawable from the Completion and Performance Security. A one and a half percent price benefit at a seventy percent commitment does not compensate for that exposure, particularly since the shortfall is measured at commercial operation, years after the commitment is made. Boralex asks the IESO to recalibrate the incentive relative to the damages, to confirm whether the five million dollar cap is a flat amount or scales with project size, and to clarify the treatment of a shortfall below the half percent de minimis.

We renew the request made in our June submission for a relief mechanism where Canadian sourcing was genuinely available and documented at the time of bid but ceases to be available during development or construction through no fault of the proponent. Supply chains shift materially over a development cycle, and a commitment made in 2027 against a manufacturer that later exits the market should not result in liquidated damages.

We also ask the IESO to confirm the scope of Construction Materials, specifically whether the definition is genuinely limited to permanently installed structural steel and aluminum or is intended to extend to major generation equipment such as modules and turbines, and to confirm how the Melted and Poured in Canada and Smelted and Cast in Canada tests are to be evidenced down a multi-tier supply chain, since these are not standard commercial certifications.

Finally, the Supply Chain Disclosure Plan is mandatory for all proponents, including those not electing a content commitment, and requires an explanation for every good or service not sourced from a Canadian participant. We repeat our June request for a standardized template so that submissions are comparable and the expected level of detail is clear, and we ask the IESO to confirm what consequence, if any, attaches to an indicative and expressly non-binding estimate that later

proves inaccurate. We note the plan may be disclosed to the Government of Ontario and ask that it be treated as commercially confidential.

Canadian company rated criteria

Boralex asks the IESO to reintroduce recognition for Canadian-status proponents. The LT2(e-1) framework provided a two percent Evaluated Proposal Price reduction for a proponent whose head office and ultimate control were located in Canada. The draft LT2(e-2) documents remove the Canadian-Status Proponent concept entirely and replace it with the domestic content incentive.

These two things are not substitutes. Corporate presence in Canada and Canadian sourcing of materials are different policy objectives, and the first is directly within a proponent control while the second is constrained by a supply chain that does not yet exist at the required scale. The IESO own Window 1 data shows the criterion was working: every successful proposal except the single executed wind contract came from a Canadian-status proponent. A Canadian company sustains Ontario employment, tax base, community relationships and long-term asset stewardship over a contract term running to 2052. Boralex recommends the criterion be restored alongside, rather than in place of, whatever domestic content framework is ultimately adopted.

Prime agricultural areas and agrivoltaics

Boralex appreciates that restrictions on development in Prime Agricultural Areas reflect provincial land use policy rather than IESO preference, and we note the IESO statement that it is discussing the topic with government. Our comment is about timing and consistency rather than the merits.

If the restrictions are relaxed, whether generally or specifically to accommodate dual-use agrivoltaic configurations, that direction needs to be confirmed early enough for proponents to respond. Agrivoltaic designs carry higher capital costs than conventional ground-mount solar because of elevated racking, wider row spacing and reduced density, and increased use of buried cables, and they require agreements with the agricultural operator that take time to negotiate. A late change would create an uneven playing field between proponents who anticipated it and those who did not. Boralex therefore asks that any change to the Prime Agricultural Area rules be confirmed with the final RFP rather than by later addendum, and that the treatment of agricultural land be applied consistently across new build and repowering proposals.

Post-proposal tariff risk

Boralex supports the retention of the Adjustment for Post-Proposal Applicable Tariffs in Section 2.14 of the draft contract and asks that it be preserved in the final documents. Given continuing volatility in steel and aluminum trade measures, this protection remains material to how projects are priced. We ask the IESO to consider two refinements. First, where the IESO rejects a proposed revised Fixed Price and the contract terminates automatically, the supplier bears its sunk development costs entirely; we repeat our earlier submission that verifiable sunk costs should be reimbursed in that circumstance. Second, the ten percent Capital Cost trigger is a high bar for a large project, and we ask the IESO to consider whether a lower threshold or a partial adjustment below the trigger would better share this genuinely uncontrollable risk.

Valuation and submission mechanics

Several process changes merit comment. Under Section 3.7(a), proposals received in excess of the Proponent Group Limit are now rejected by reference to the time priority of the final email submission. Combined with the twenty megabyte email size limit, the practice of splitting a proposal across multiple emails, and the new rule in Section 5.1(a) making the IESO server time-stamp determinative, this creates avoidable submission risk. Boralex asks the IESO to confirm how time priority is established for a multi-email submission. We note the forthcoming online submission portal would resolve much of this, and we support its development; we ask that it be released for proponent testing well before the submission window opens, with a documented fallback if it is unavailable on the deadline.

Boralex supports the extension of the Stage 1 rectification right to manifest inconsistencies in submitted information, and the new rules allowing a proposal to continue on its alternates where a defect is confined to the Primary Proposal PQ. These are sensible improvements that reduce the risk of a strong project being lost to a clerical error.

We are less comfortable with two changes. First, Section 4.5 now permits the IESO to re-run the Offer List process, including re-performing the Deliverability Test with updated assumptions, where a selected proponent fails to execute. A proposal that passed the Deliverability Test in the first pass could therefore be assessed differently on a re-run through no action of its own. We ask the IESO to clarify what assumptions would change and to confirm whether a previously deliverable proposal can be found non-deliverable. Second, Section 3.9 now excludes from debriefing those proponents that failed the Deliverability Test or were displaced by the New Build Target Energy or Repowering Cap, and shortens the request window from thirty days to twenty. Those two categories are the most common ways a competitive proposal is unsuccessful and the ones where feedback is most valuable to future bidding. We ask that debriefing eligibility be restored and the thirty-day window retained.

On Team Member Experience, the draft recasts the requirement so that named Designated Team Members must, collectively, provide managerial-level experience in each of the five categories. Boralex asks the IESO to confirm what evidence of managerial authority will be accepted and whether one individual experience in multiple categories counts toward each. We appreciate the accompanying change allowing a facility older than fifteen years to satisfy the Operating component where it remains operational.