

Feedback Form

Long-Term 2 RFP – August 20, 2026

Feedback Provided by:

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Date: September 4, 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 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:
CHP CAN is supportive of the IESO's approach.

We would like to emphasize that this approach could be strengthened by building in our recommendations included in the general comments section below, specifically: moving to storage and non-storage capacity procurements; leveraging behind the meter generation; recognizing small (<25MW), distribution connected resources, and by extending the same lead time considerations for reciprocating engines as for turbines.

- Repowering: Competition Mechanics:

Federal Crown Land

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

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?

CHP CAN strongly supports releasing price curves and detailed non-price aggregated data from LT2 Window 1. Increased transparency provides critical market signals, helps proponents assess project viability, and optimizes future bidding strategies. Understanding deliverability outcomes and price distributions across resource types ensures a more competitive, efficient, and well-subscribed Window 2.

General Comments/Feedback

Do you have additional feedback to share with the IESO?

Technology Diversity & Technology-Specific Procurements: Relying predominantly on battery energy storage system (BESS) resources presents long-term system reliability risks due to the diminishing Effective Load Carrying Capacity (ELCC) of storage during prolonged peak demand events. Gas-fired resources, including highly efficient Combined Heat and Power (CHP), provide vital long-term firming capacity and non-intermittent backup required to support wind and solar integration without massively overbuilding infrastructure. The IESO should establish distinct procurement targets for storage and non-storage assets to ensure a balanced, resilient supply mix.

Leverage Behind-the-Meter (BTM) Generation: Restricting procurement to export-only configurations ignores significant untapped capacity. Behind-the-meter CHP at industrial and institutional facilities delivers dual benefits: providing crucial power and heat to facility loads while exporting surplus energy and capacity to the grid during peak demand. The IESO should enable BTM facilities to participate in LT2 by allowing flexible, revenue-grade metering arrangements, avoiding prohibitive LDC re-configuration costs while unlocking cost-effective grid capacity. In addition to ignoring significant untapped capacity, this strategy forces low utilization of LT2 program specific equipment. Facilitating CHP operators to export surplus capacity would improve utilization rates and result in better overall financials relative to building brand-new, dedicated generation facilities.

Recognize Small, Distribution-Connected Resources (<25 MW): Smaller, distribution-connected generation offers distinct advantages: faster permitting, minimal land-use impact, reduced transmission network congestion, and exemption from Canadian Clean Electricity Regulations (CER) limitations that apply to facilities over 25 MW. Because <25 MW assets are not constrained by CER limits, they can fully satisfy 20-year must-offer obligations, delivering reliable capacity without financial risk to ratepayers. We recommend establishing a dedicated capacity target or priority evaluation criteria for distribution-connected projects under 25 MW.

Lead-Time Parity for Reciprocating Engines: Natural gas engine lead times remain extended due to broader market demands. The IESO should align contract provisions for reciprocating gas engines with those granted to gas turbines to establish a level playing field.

Lower Emissions Profile via Waste Heat Capture: High-efficiency CHP heat capture lowers overall provincial carbon emissions compared to utility scale gas fired power plants. By capturing thermal energy on-site that would otherwise require separate fossil fuel combustion in auxiliary boilers, local CHP operations achieve significantly higher fuel utilization and reduce net natural gas consumption—meaningfully lowering net greenhouse gas emissions across Ontario.