Feedback Form

Long-Term 2 RFP (Window 2) – October 14, 2026

Feedback Provided by:

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Date: October 26, 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**

X **YES - Comfortable to publish to the IESO web page**

Following the October 14th, Long-Term 2 RFP Window 2 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 October 30, 2026.**

Rated Criteria

Locational Criteria

- Do you have feedback on the proposed locational scoring framework, including the treatment of different zones, technology types, and repowering projects?

CHP CAN supports using locational rated criteria for projects located in areas with available transmission capacity and on circuits where a local system benefit has been identified in an IESO regional or bulk plan.

CHP CAN members strongly recommend the government recognize the advantages that come from smaller, distribution-connected generation that do not require transmission upgrades, providing these projects with a similar competitive advantage of additional points or through other means.

Non-Wires Alternatives (NWA)

- Do you have feedback on the proposed NWA opportunities, including eligibility, scoring, and the approach to assigning points?

Agricultural Land Considerations

- Do you have feedback on the proposed treatment of prime agricultural areas, agrivoltaics, and potential agricultural exemptions?

CHP CAN fully supports protecting prime agricultural land, and the decision to award points for projects Not on Prime Agricultural Area. We do, however, recommend an exemption for projects that do not remove or reduce productive growing area. For example, agrivoltaics, or on-farm CHP projects that contribute to the efficient operation of the farm, but do not impact available land for crops should still be granted points as they meet the intent of the prime agricultural land policy and point system.

Further, the prohibition on procurement of energy projects located on Specialty Crop Land is having unintentional consequences for greenhouse operators seeking to develop on-farm natural gas CHP projects. These facilities are integrated into existing greenhouse operations, where natural gas is already used for heating, and they require only a minimal footprint. Importantly, CHP projects do not displace productive growing area or interfere with agricultural production.

CHP CAN recommends a targeted exemption from the procurement prohibition of energy projects on specialty cropland for on-farm natural gas CHP facilities that serve greenhouse agricultural operations and meet the following conditions:

- The project remains part of an active greenhouse farming operation;
- The facility does not remove or reduce productive growing area; and
- The project supports the efficient operation and competitiveness of the farm.

LT2(e-2) Contract Design

Non-Performance Charges (NPCs)

- Do you have feedback on the proposed NPC changes, including technology-specific thresholds and the treatment of monthly production factors?

Evolving Value of Energy Storage

- Do you have feedback on how the evolving reliability and capacity value of energy storage should be reflected in LT2 evaluation, scoring, or procurement design?

CHP CAN supports IESO's efforts to introduce some form of weighted scoring in capacity procurements that reflects the marginal reliability contribution of different resources when evaluating proposals.

As per the IESO's own studies, increasingly relying on battery energy storage system (BESS) resources presents long-term system reliability risks 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.

Repowering

- Do you have feedback on the proposed Independent Engineer certification requirements?

CHP CAN's position is that an independent engineer certification is not required, and that the existing contract provisions already address this issue – the risk is with the proponent to ensure the project will work.

- Do you have feedback on the proposed treatment of repowering projects within LT2 competition and evaluation processes?

Regulation Service Readiness

- Do you have feedback on the proposal to require regulation-service readiness for LT2 projects?

CHP CAN is supportive of IESO's plan to secure regulation services via future procurements and recommends lowering minimum MW thresholds to allow smaller facilities to contribute to this objective.

- Do you have feedback on the proposed technical requirements and any associated cost, schedule, or implementation impacts?

Deliverability and System Performance

- Do you have feedback on the proposed deliverability methodology, including regional congestion assumptions and transparency of information available to proponents?

- Do you have feedback on the proposed treatment of short-circuit strength, minimum system strength requirements, and emerging technologies such as grid-forming inverter-based resources?

- Do you have feedback on the proposed circuit availability maps and any additional information that would support project siting and proposal development?

General Comments/Feedback

Do you have additional feedback to share with the IESO?

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 avoiding required energy from 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.

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.