Feedback Form

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

Feedback Provided by:

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Date: October 30, 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.**

Please see CanREA's comments in the General Comments / Feedback section below.

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?

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?

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?

Repowering

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

Please see CanREA's comments below.

Capacity accreditation

CanREA strongly recommends retaining the existing capacity framework for LT2(c-2), with any new accreditation methodology applying from Window 3 at the earliest.

The IESO began engagement on accreditation methods on September 17, 2026, and published initial resource-specific values on October 22. Applying a new methodology to LT2(c-2), with final procurement documents expected in Q1 2027, would provide insufficient time to assess its implications for projects entering 20-year contracts. This is materially faster than comparable accreditation reforms undertaken by other North American system operators.

If the IESO proceeds in Window 2, it should publish the full methodology, proposed procurement treatment and indicative values with at least 60 days for stakeholder review before finalizing LT2(c-2). Transition measures should include phased implementation, reasonable limits on changes, parallel publication of existing and new values, and accreditation values fixed at contract execution.

Any accreditation methodology should also be applied consistently across resource types. CanREA supports a single capacity target without technology set-asides, with reliability risks assessed consistently, including correlated outage and fuel-supply risks for thermal resources.

Hybrid and portfolio effects should also be incorporated before a new methodology becomes binding. Current analysis does not fully capture combinations of wind, solar and storage, or attributes such as fast ramping, regulation capability and grid-forming support.

The IESO should also avoid double-counting duration. Equal duration should receive equal treatment under the rated criteria (draft LT2(c-2) RFP section 4.3(e) proposes to award energy storage 2 points for 12+ hours, compared with 3 points for non-storage resources), and duration points should be reconsidered where the accreditation methodology already captures duration-related reliability value.

Contract protections

CanREA recommends maintaining commercially reasonable protections against risks that proponents cannot effectively control. The proposed reduction in DARTA protection from 85% to 60%, together with the removal of Window 1 transmission connection cost protection, would increase financing risk and ultimately be reflected in bid prices.

DARTA protection should be restored to at least 80%. Day-ahead to real-time deviations for variable generation remain affected by weather and forecasting uncertainty. Additional market history may improve the ability to price this exposure, but it does not eliminate the underlying risk.

The IESO's October 28, 2026 response to stakeholder feedback states that its analysis shows this risk "remains low." CanREA asks that the analysis be published; if the risk is low, maintaining protection at 80% or higher would cost ratepayers little while providing the certainty lenders require.

Transmission connection cost risk remains outside of proponents' and lenders' control to quantify reliably at the proposal stage. CanREA welcomes the IESO's October 28, 2026 commitment (in its response to stakeholder feedback) to work with the Ministry of Energy and Mines, the Ontario Energy Board and Hydro One to address this risk. Any replacement for the Window 1 connection cost exceedance mechanism should be developed with industry, provide comparable certainty and be published well before the final RFP. Until such a replacement is in place, the Window 1 mechanism should be retained.

Energy stream performance requirements

Any proposed technology-specific non-performance threshold should rest on published, site-level analysis, be adequately consulted on well before the final RFP, and give every technology a comparable risk of incurring charges at expected output. The 20% threshold used in Window 1 should continue to apply to all technologies until that analysis is complete. Monthly production-factor guardrails should target demonstrably unrealistic bids while allowing proponents of every technology to reflect legitimate project-specific differences in resource, degradation, configuration and location.

The objective should be to prevent strategic overstatement without causing prudent proponents to systematically understate expected production. Otherwise, the change could translate into more conservative output assumptions and higher bid prices rather than better procurement outcomes.

Tariff adjustment

CanREA recommends lowering the capital-cost trigger for tariff-related price adjustments from 10% to 5% in the e-2 and c-2 RFPs and contracts. Trade-policy risk has increased since Window 1, and proponents cannot reasonably price all future tariff changes when submitting binding bids. A lower threshold would reduce the contingency developers must incorporate into proposal pricing while maintaining an appropriate sharing of material trade-policy risk.

Canadian content

CanREA has no objection to a non-binding Supply Chain Disclosure Plan. If the IESO and government proceed with a Canadian Content Incentive for LT2 Window 2, its design should reflect both the near-term procurement schedule and material differences in domestic supply-chain availability across the technologies participating in LT2 Window 2.

Any minimum threshold should be materially lower than the LLT RFP threshold unless the IESO demonstrates that it is commercially achievable across participating technologies. Canadian economic value should also be defined broadly to recognize engineering, EPC and construction services, project integration, controls and software, balance-of-plant expenditures, operations and maintenance, and other lifecycle expenditures.

Locational rated criteria

Locational rated criteria should follow demonstrated system availability and identified system need.

The IESO should award locational points for available circuits in additional southern zones, including at a minimum Ottawa and Essa, where the Preliminary Connection Guidance identifies studied capacity comparable to or greater than that in the zones currently proposed for locational points. This is consistent with the IESO's stated aim, in its October 28, 2026 response to stakeholder feedback, of

guiding proposals "towards areas in the province where larger amounts of connection capacity is available." For LT2(c-2), the IESO should also consider extending locational points beyond the North where resources can address local constraints or system needs identified by the IESO.

Locational criteria should be set using the best available deliverability information and confirmed as early as possible, so that developers are not encouraged to make substantial investments in locations that later guidance shows to be materially less deliverable.

Procurement volume

CanREA supports the 3.6 TWh new-build target and supports setting the Repowering Cap at the maximum level that can be accommodated without creating a demonstrated reliability concern.

New build and repowering serve complementary objectives. New projects expand Ontario's renewable supply, while competitive repowering preserves existing renewable production and makes efficient use of established sites, connections and infrastructure. The procurement should maximize both opportunities rather than unnecessarily trade one against the other.

Where sufficient competitive proposals are available, the IESO should retain flexibility to make awards above stated targets or caps where doing so secures cost-effective resources without compromising system reliability.

Deliverability guidance

Final Connection Guidance should be published at least six months before proposal submission to support informed decisions on siting, land, equipment, interconnection and bid pricing. Material reductions from the October 15 preliminary guidance should be avoided except where required by new reliability information, and be accompanied by a clear explanation of the assumptions or system conditions that changed.

The final guidance and evaluation-stage Deliverability Test should consistently account for committed transmission expected to be in service by the applicable project COD. Committed transmission reinforcements due by 2033 should also be considered. Where availability depends on the results of the LLT RFP or intervening procurements, developers should receive updated information with sufficient time to adjust their proposals.

Developers should not bear avoidable procurement risk arising from material changes to system assumptions after substantial development expenditures have been made in reasonable reliance on IESO guidance.

Inverter-based resource deliverability

Deliverability assessment should recognize project-specific technical capabilities and mitigation measures rather than treating preliminary IBR limits as fixed technology caps.

The IESO should provide clear criteria for demonstrating lower MSCR capability and grid-stability solutions, including grid-forming technology and synchronous condensers, and explain how those capabilities will be reflected in the evaluation-stage Deliverability Test.

Where wind or solar projects demonstrate that their equipment or mitigation measures address the underlying stability constraint, that capability should receive a corresponding deliverability benefit. Technical solutions that safely increase usable transmission capacity should be enabled through the procurement framework.

Non-wires alternatives

NWA eligibility should be based wherever practicable on the reliability service and technical performance required to address the identified need. Wind, solar, storage and hybrid resources should be eligible where they can meet the applicable requirements for availability, duration, dispatchability, reactive power or other necessary attributes.

Where the IESO determines that an NWA need can only be met by specified technologies, it should clearly identify the underlying technical requirement and allow proponents to demonstrate an equivalent solution where feasible.

Agricultural land

CanREA recommends removing the prohibition on ground-mounted solar in Prime Agricultural Areas and relying on municipal support and Agricultural Impact Assessments to assess individual projects. At a minimum, the framework should permit multi-use agrivoltaics and repowering of existing renewable facilities on their current sites.

Existing facilities in Prime Agricultural Areas should not lose access to long-term procurement solely because provincial land-use policy changed after they were developed. Allowing repowering on an established footprint preserves existing sites and infrastructure and can reduce the need to develop comparable capacity on new land.

Regulation readiness

Any regulation-readiness requirement should be linked to a demonstrated system need and applied consistently to resources capable of providing the required service. If regulation readiness is not required to satisfy the underlying capacity need being procured through LT2(c-2), CanREA recommends treating it as a rated criterion rather than a mandatory eligibility requirement.

The IESO should finalize the applicable equipment, controls and telemetry specifications sufficiently before bidding to allow proponents to assess cost, configuration and schedule impacts. Developers should not be required to fund future ancillary-service capability without a reasonable expectation that the capability will be required and separately compensated.

Hybrids and co-location

CanREA continues to recommend enabling hybrid and co-located resources, including wind plus storage and solar plus storage, in future procurement windows. These configurations should be expressly eligible and evaluated on a level playing field.

The requirement that a capacity-stream project use meters not used by another facility (draft LT2(c-2) RFP section 2.1(c)(i)(B)) should not prevent separately metered storage from co-locating with new or existing generation and sharing infrastructure where technically feasible. The IESO should also clearly define how hybrid facilities will be classified and evaluated in each procurement stream.

CanREA continues to support linked energy- and capacity-stream proposals as a means of passing shared interconnection, land and balance-of-plant savings through to ratepayers. If linked bids will not be enabled in Window 2, the IESO should ensure independently submitted proposals can still co-locate and share infrastructure and should establish a clear pathway for linked proposals in future windows.

Procurement certainty

Material procurement rules, rated criteria, accreditation values, deliverability assumptions and government-policy requirements should be substantially settled well before proponents submit binding proposals. Developers should not be required to price unresolved policy decisions or material methodology changes into 20-year contracts.

Where material changes are made after final procurement documents are issued, proponents should receive sufficient time to revise technical configurations, commercial arrangements and proposal pricing.

Contract term and delay relief

CanREA recognizes that the current LT2 procurement direction prescribes 20-year contracts. CanREA continues to recommend that the government amend the applicable procurement direction to permit 30-year contract terms for both new-build and repowering projects. Longer terms can better align contract recovery with renewable asset life, reduce annualized capital-recovery requirements and merchant tail exposure, and support more competitive bid prices.

The IESO should also provide equivalent delay relief for comparable long-lead equipment constraints across technologies. Where uncontrollable global supply chain delays affect transformers, wind turbines or major components, solar modules and inverters, or battery systems, proponents should have access to relief comparable to that available for delayed gas turbines, subject to equivalent evidentiary requirements.