

Stakeholder Feedback and IESO Response

Long-Term 2 RFP – Window 2 [LT2 (window 2) RFP] – June 12, 2026

Following the April 21, 2026, LT2 RFP stakeholder engagement webinar, the Independent Electricity System Operator (IESO) invited stakeholders to provide feedback on Transparency and Information Disclosure, Repowering Eligibility Framework and Alternate Eligibility Pathways, the Definition of Repowering and Contractual Guardrails, and Deliverability Guidance. The IESO is currently in the design stage of the LT2 RFP. Feedback is posted on the Long-Term RFP [engagement webpage](#). Please reference the feedback forms for specific feedback as the information below is provided in summary.

Note on Feedback Summary and IESO Response

The IESO appreciates the feedback received from stakeholders and communities. The tables set out below respond to the feedback received and are organized by topic.

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A) Transparency and Information Disclosure

Stakeholders broadly supported the publication of additional aggregated, non-price information about unsuccessful proposals from LT2 Window 1, while emphasizing the need to protect commercially sensitive and proponent-identifiable details. Specific feedback is summarized below.

Feedback / Common Themes	IESO Response
<p>The IESO should publish certain non-price information about unsuccessful proposals:</p> <ul style="list-style-type: none"> Stakeholders suggested the following types of information would be valuable: technology type and breakdown by category; approximate project size and capacity ranges; geographic distribution by IESO planning region; % of First Nation equity partnership; land tenure characteristics; aggregated data on non-deliverable capacity by region; and high-level reasons for non-selection (e.g., pricing, deliverability, permitting, technical readiness). Stakeholders noted that increased transparency would help proponents understand competitive dynamics, improve future bid quality, support better geographic and technology-based siting decisions, and reduce speculative development activity. Stakeholders also noted that greater visibility could support municipalities and Indigenous communities in understanding development interest in their regions, and inform future transmission planning and procurement design. Several stakeholders noted that other jurisdictions (British Columbia, Quebec) have publicly released non-price procurement information while maintaining appropriate protections for commercially sensitive data. Stakeholders were unanimously opposed to disclosure of project-level pricing and specific information regarding Indigenous partnerships. One stakeholder recommended transparency by limited to aggregated, anonymized system-level information, and that project-level or commercially sensitive disclosures should be avoided. 	<p>The IESO appreciates stakeholder feedback supporting greater transparency on non-price information for unsuccessful proposals and recognizes the potential value of such information in improving market understanding, bid quality, siting decisions, and overall procurement efficiency.</p> <p>The IESO notes that it has historically not published information related to unsuccessful proposals in past procurements, primarily to protect commercially sensitive information and maintain bidder confidence. In response to stakeholder input, the IESO is evaluating opportunities to increase transparency while maintaining these core principles.</p> <p>For Window 2 and beyond, the IESO is considering the release of additional information after the conclusion of each procurement, including: a list of unsuccessful proposals, details on the technology mix, project sizes, geographic distribution, submission volumes and high-level reasons for non-select. Project-level pricing and identifiable details — including specific Indigenous partnership information — must remain confidential. Further, the IESO is not considering the release of aggregated pricing statistics for unsuccessful projects.</p> <p>Further details on scope and implementation will be shared through future engagement.</p>

B) Repowering Eligibility Framework and Alternate Eligibility Pathways

Stakeholders were divided on the proposed requirement that facilities complete a minimum of three years of a medium-term contract before becoming eligible for repowering, with most calling for greater flexibility or removal of the requirement. Specific feedback is summarized below.

Feedback / Common Themes	IESO Response
<p>The IESO should simply impose a minimum facility age rather than requiring facilities to complete a minimum of three years of a Medium-Term (MT) contract to be eligible to repower:</p> <ul style="list-style-type: none"> Several stakeholders suggested that a minimum asset age requirement would more effectively achieve the IESO's objective of ensuring asset life is utilized before repowering, without requiring MT participation as a precondition; views on the average minimum age threshold ranged from 20-23 years. Stakeholders noted that not all facilities completing an initial 20-year contract have sufficient remaining asset life to complete a further 3–5 year MT contract without significant capital investment, and that MT prices/terms lengths may not support such capital investment. One stakeholder raised a specific scheduling conflict noting that facilities that secured an MT2 contract with a May 1, 2029 start date cannot complete three years of that contract and also achieve a May 1, 2032 COD, recommending that the IESO either eliminate or reduce the MT requirement to 2 years, or allow flexible COD options. One stakeholder expressed concerns that this approach may force inefficient contract sequencing that does not align with asset condition or optimal repowering timing, advocating for either only requiring completion of a 20yr PPA, allowing earlier exit from MT contracts where justified, or 	<p>The IESO thanks stakeholders for this feedback.</p> <p>After consideration, the IESO intends to maintain the proposed approach of requiring existing facilities with MT contracts to complete a minimum of three years of the contract term as a repowering eligibility condition, rather than basing eligibility solely on a minimum facility age threshold.</p> <p>The IESO maintains that it is reasonable to assume that facilities retain some residual useful life at the end of a previous 20-year contract term, particularly those that have already competed for and secured an additional MT term. The three-year minimum MT completion requirement is intended to ensure that a reasonable portion of this residual value is captured prior to repowering eligibility.</p> <p>That said, the IESO recognizes that some existing facilities may be nearing end of life and unable to participate in an MT contract. As such, the IESO is adding an alternate eligibility path for existing facilities without an MT contract that will have been in service for a minimum of 23 years as of May 1, 2032.</p> <p>Regarding the scheduling conflict identified for facilities holding MT2 contracts with a May 1, 2029 start date and a target repowering COD of May 1, 2032: where it is not feasible to satisfy the three-year MT requirement while also meeting a 2032 COD, proponents should plan to participate in a subsequent procurement window, such as LT2 Window 3.</p>

Feedback / Common Themes	IESO Response
<p>incorporating asset-specific considerations rather than a fixed duration threshold.</p> <ul style="list-style-type: none"> • Several stakeholders recommended that any facility that has operated for 23 or more years should be eligible to repower regardless of historic contracts • Two stakeholders supported the 3-year MT requirement as being reasonable for wind facilities. 	
<p>One stakeholder requested confirmation as to whether the 20-year IESO/OEFC/OPA contract requirement refers to a single contract or the aggregate of multiple contracts, noting the requirement as written may be overly onerous for some existing facilities.</p>	<p>The IESO confirms that the 20-year contract requirement refers to the aggregate of contracts held by the facility, not necessarily a single continuous contract. A facility that has satisfied the requirement through a combination of contracts would be eligible provided the combined contracted period meets the 20-year threshold. The IESO will clarify this in the applicable program documentation.</p>
<p>One stakeholder asked whether previous facility upgrades or conversions would affect contract length calculations, and recommended the IESO consider using the original commercial operation date of the facility rather than contract length as the primary measure of facility maturity.</p>	<p>Previous facility upgrades or conversions that did not result in a new or reset contract would not affect contract length calculations; the relevant measure is the duration of contracted operation, not the physical configuration of the facility over time.</p> <p>The IESO will introduce an alternate eligibility path based solely on original commercial operation date (requiring that facilities have been in service for a minimum of 23 years to be eligible for repowering) for those facilities that do not pursue an MT contract..</p>

The IESO should allow overlap between existing contracts and repowering work, with some caveats:

- Most stakeholders supported reasonable flexibility for repowering work to overlap where proponents can demonstrate continued compliance with all reliability and contractual obligations.
- One stakeholder requested clarity on penalties or incentives associated with any change in MT contract termination schedule.
- One stakeholder noted if overlap materially increases outage risk, repowering should proceed after the existing contract terminates.
- One stakeholder cautioned that overlapping repowering and existing contracts should not result in double-payment of public funds, and recommended that legacy contracts be terminated the moment physical repowering work begins.

The IESO acknowledges stakeholder views that, where overlap would materially increase outage or reliability risk, repowering should proceed following the conclusion of the existing contract. However, the IESO considers it more appropriate to allow proponents to determine what is feasible for their facilities, while relying on existing MT performance obligations and non-performance charges to ensure reliability outcomes are maintained. If an MT Supplier was in default under their MT Contract due to non-performance, the IESO would have the option to terminate their MT Contract at that time.

With respect to compensation, the IESO emphasizes that under no circumstances would overlapping arrangements result in double payment of ratepayer funds. MT contracts do not begin until prior contracts (whether with the IESO or OEFC) have concluded, and LT2 contracts will not commence until repowering activities are complete, including the conclusion of any overlapping MT contract period.

The IESO further clarifies that the MT contract termination date specified as part of an LT2 repowering submission will not be binding for those awarded an LT2 contract. Proponents may change the MT termination date they specified at LT2 proposal submission provided they give notice to the IESO (and provided the minimum 3-year MT term completion requirement is still met).

The IESO is considering an approach that allows limited, controlled overlap, subject to clear conditions related to performance obligations, contractual compliance, and compensation integrity. Further details will be provided through future engagement.

Feedback / Common Themes	IESO Response
<p>The IESO should provide a streamlined Facility Amendment approval process for such instances of overlap, as well as clear guidance on acceptable overlap structures:</p> <p>One stakeholder requested the following clarifications:</p> <p>(a) the IESO indicated “Any modification to equipment used to generate under their MT contract [as part of repowering work] would require approval for a Facility Amendment under their MT contract” - what are the conditions for approval of such a Facility Amendment?</p> <p>(b) confirm whether projects will be allowed to partially reduce their operational MW capacity and expected annual production without causing a breach of their obligations under their MT contract during such overlap.</p>	<p>(a) Facility Amendments will continue to be reviewed and approved in accordance with the terms of the applicable existing contract (e.g., section 2.1(f) of the MT2 Contract). Requests will be assessed to ensure contract integrity, system reliability, and continued fulfillment of contractual obligations.</p> <p>(b) Projects will not be permitted to reduce their contracted MW capacity or expected annual production under their MT contract to accommodate repowering work. Proponents must continue to meet all obligations under their existing contract. If this is not feasible, the existing contract must be terminated prior to commencing repowering activities.</p>
<p>One stakeholder requested that the IESO develop alternate repowering provisions specific to hydroelectric redevelopment, citing distinct asset lifecycles and investment requirements and investment requirements not adequately addressed by the current framework.</p>	<p>Hydroelectric projects—both new-build and repowering—are eligible to participate in the LT2 RFP. However, the IESO has already established a targeted procurement avenue for new-build hydroelectric resources through the Long-Lead-Time (LLT) RFP, which offers a 40-year contract term to better align with the long-term nature of these assets. At this time, introducing technology-specific provisions within the LT2 RFP—such as contract terms exceeding 20 years for hydroelectric resources—is not being contemplated. Maintaining a consistent framework within the LT2 RFP supports transparency, fairness, and comparability across competing resources.</p>

Feedback / Common Themes	IESO Response
<p>One stakeholder recommended that the IESO should introduce an alternate eligibility pathway that allows case-by-case consideration based on:</p> <ul style="list-style-type: none"> • Technology type and configuration • Facility age and remaining useful life • Contract history and prior investments • Demonstrated operational performance 	<p>While the IESO is open to exploring the development of an alternate eligibility approach where there is sufficient justification, any such framework would need to be designed as a uniform and clearly defined pathway that can be applied consistently across all prospective facilities. This is necessary to maintain fairness in a competitive RFP process and to ensure compliance with applicable Canadian procurement law.</p> <p>At present, the IESO has established standardized eligibility criteria to provide transparency, predictability, and consistency for all proponents. Introducing a discretionary, case-by-case process could increase complexity, reduce clarity for market participants, and introduce subjectivity into the evaluation process.</p> <p>The IESO will continue to consider stakeholder feedback on this topic and examine whether there are opportunities to evolve eligibility frameworks in a way that appropriately recognizes asset-specific characteristics while upholding the principles of fairness, transparency, and competitiveness.</p>

C) Definition of Repowering, Guardrails and Risk Mitigation

Stakeholders were generally supportive of a non-prescriptive, performance-based framework for defining repowering. Specific feedback is summarized below.

Feedback / Common Themes	IESO Response
<p>The majority of stakeholders supported the IESO's proposed non-prescriptive, performance-based framework anchored by independent engineer certification and LT2 contract performance obligations:</p> <ul style="list-style-type: none"> Stakeholders agreed that technical details of repowering should remain at the developer's discretion given the facility-specific nature of repowering, and that a prescriptive approach risks administrative burden and unintended exclusions. Several stakeholders specifically recommended against technology-specific equipment replacements thresholds for repowering. One stakeholder suggested that a flexible framework should be supported by clearer guidance on expectations for life extension and performance capability and consistent application through evaluation. 	<p>The IESO acknowledges stakeholder support for a non-prescriptive, performance-based framework to define repowering under Window 2 of the LT2 RFP. As noted during the April 21 Stakeholder Engagement Webinar, the IESO is inclined to adopt a non-prescriptive approach that enables proponents to determine the repowering strategy that is most efficient for their facility. In contrast to technology-specific equipment replacement thresholds, which could unnecessarily increase costs, and would necessitate an audit regime varying in scope and complexity depending on technology type. The currently suggested non-prescriptive approach offers a consistent, technology-agnostic framework that promotes competition and innovation.</p> <p>In order to ensure that repowered facilities remain capable of operating throughout the full twenty-year contract term, the IESO intends to implement robust ex-post contractual mechanisms (see e.g. below) in lieu of pre-contract technical reviews or audits. These measures are designed to discourage proponents from seeking contract renewals without meaningful repowering investments, or from operating facilities to the point of degradation without sustaining long-term performance.</p> <p>As part of this framework, the IESO is evaluating the application of non-performance charges for repowered facilities, which may differ from those applied to new facilities, as well as the introduction of more stringent non-performance thresholds that could trigger a supplier event of default. Additionally, the IESO is considering increasing its completion and performance security requirements for repowered facilities in order to further deter non-performance and reduce the risk of default.</p>

Feedback / Common Themes	IESO Response
<p>One stakeholder noted that while they support IE certification as a central safeguard, for partial repowering (meaning keeping the existing turbines) it is not possible to get a new IE certification, as the lifetime extension is supported by the remaining useful life (RUL). Rather, independent engineering firms can conduct necessary studies to estimate the RUL and support an extension. To ensure effectiveness, requirements should be clearly defined and standardized, including:</p> <ul style="list-style-type: none"> • Validation of full capacity capability • Confirmation of useful life through the contract term 	<p>The IESO is currently in the process of finalizing the criteria that an Independent Engineer must certify as part of the Independent Engineer (IE) Certificate required for commercial operation. The final requirements will be clearly defined and standardized to ensure consistent application across all repowered facilities.</p> <p>While the IE Certificate is expected to include validation of full capacity capability, the IESO does not anticipate requiring confirmation of a facility’s useful life over the contract term, nor an attestation that the facility will be capable of operating throughout the entire duration of the contract. Such forward-looking matters are in the nature of projections rather than certification of empirical facts and would inherently depend on the expertise, professional judgement and risk tolerance of the selected Independent Engineer, which may lead to inconsistent assessments. Moreover, evaluations of remaining useful life are inherently subjective and based on professional opinion, making them unsuitable for standardized verification across projects.</p>
<p>Some stakeholders proposed alternative definitional frameworks or called for the repowering definition to include minimum environmental and community compliance requirements:</p> <ul style="list-style-type: none"> • One stakeholder recommended reframing the concept around 'existing sites' rather than 'repowering', defining eligible sites as those that have at some point had an operational generator with electrical grid connections and secured permitting. Under this model, a percentage-of-original-capital-investment threshold (e.g., >50%) could serve as a proxy if a formal repowering definition is still needed. • One stakeholder cautioned that repowering is not simply a technical upgrade and must encompass full compliance with current regulations and environmental policies, 	<p>The IESO is not considering alternative definitional frameworks for repowering, nor the inclusion of minimum environmental or community compliance requirements within the definition itself.</p> <p>The primary objective of incorporating repowered facilities into the IESO’s resource adequacy framework is to extend the operational life of existing assets that presently contribute to system reliability. This is achieved through additional contract terms that support the capital investments required for repowering. Alternative approaches centered on proposed repowering constructs may not effectively support this intent, particularly if such facilities are not currently reflected in reliability assessments.</p> <p>While minimum environmental and community compliance requirements are not proposed as</p>

Feedback / Common Themes	IESO Response
<p>including noise and visual impact studies, natural heritage assessments, and wildlife mortality risk assessments. The stakeholder recommended the definition include prescriptive requirements for modern environmental mitigation technology (e.g., acoustic deterrents for bats, bird-safe blade markings), warning that without such requirements, facilities with known high wildlife mortality rates could be grandfathered into new long-term contracts.</p>	<p>part of the repowering definition, the IESO emphasizes the importance of these considerations. All contracted facilities will be required to complete applicable environmental assessments or other permitting requirements and comply with all relevant environmental laws and regulations as mandated by federal, provincial and municipal authorities, as applicable.</p>
<p>Stakeholders were divided on performance security requirements for repowered facilities, with developer-side stakeholders recommending no increase and community/ratepayer-focused stakeholders calling for equivalent or enhanced requirements:</p> <ul style="list-style-type: none"> • Several stakeholders suggested that existing security requirements are already significant and that further increases may disincentivize participation of viable projects or needlessly increase cost. • One stakeholder suggested that repowered facilities present less risk than new developments given their established operational history and therefore supported the same or reduced performance security as new builds. • One stakeholder noted that changes in surrounding land use and regulatory requirements since original commissioning may require facilities to decrease the size of repowering projects, which already adds cost and reduces competitiveness against new builds. • Multiple community stakeholders supported increased performance security requirements for existing facilities, with one suggesting that performance security requirements should explicitly include guaranteed decommissioning funds, ensuring that 	<p>As indicated above, to support the proposed non-prescriptive performance-based framework to support repowering, the IESO is strongly considering increasing the completion and performance security requirements of repowered facilities contracted under Window 2 and all future Windows of the LT2 RFP.</p> <p>Proponents are expected to reflect costs associated with higher levels of completion and performance security as part of their proposal prices.</p> <p>As repowered facilities already exist, the IESO recognizes that their risk profile is different than those of new-build which are yet to be constructed. However, the IESO disagrees that these facilities present less risk as repowering activities can expose these facilities to similar project financing and construction risks, such as material cost risks, as new builds.</p> <p>The IESO is yet to share its proposed requirements for proposal security and completion and performance security, but expects that similar to Window 1 of the LT2 RFP, proposal security will be set based on project size and then converted to completion and performance security upon contract award. As the amount of security will be based on project size, the IESO disagrees that higher levels of completion and performance security can disadvantage facilities</p>

Feedback / Common Themes	IESO Response
<p>infrastructure is not abandoned at end-of-contract.</p> <ul style="list-style-type: none"> One stakeholder cautioned against materially increasing security requirements for repowered facilities, noting that repowering projects already face policy and permitting risks and higher execution complexity; security requirements should remain proportionate to actual risk and balanced relative to new builds. 	<p>that need to decrease size as a result of repowering.</p> <p>At this time, the IESO is not considering completion and performance security requirements to include a portion for guaranteed decommissioned funds. Similar to section 2.1 of the LT2(e-1) and LT2(c-1) Contracts, suppliers will be required to abide by all laws and regulations relating to the decommissioning of a facility or reclamation of a project site.</p>
<p>One stakeholder recommended against using historical facility output as a guardrail, noting this would disadvantage facilities that have never been operated or would be substantially reconfigured.</p>	<p>While the use of historical facility output was shared as a possible guardrail at the April 21 Stakeholder Engagement Webinar, it is no longer being considered by the IESO as it could potentially disadvantage efficient (or necessary) facility downsizing strategies.</p>

D) Deliverability Guidance and Timing

Stakeholders were broadly supportive of the IESO's proposed phased approach to deliverability guidance updates for LT2 Window 2, with many requesting earlier publication, greater regional specificity, and a more regular ongoing cadence. Specific feedback is summarized below.

Feedback / Common Themes	IESO Response
<p>Stakeholders were generally supportive of the IESO's proposed phased approach to deliverability guidance updates, but many called for earlier and more frequent updates:</p> <ul style="list-style-type: none"> • Several stakeholders requested the IESO publish deliverability guidance as early as practicable (ideally at least six months before the proposal submission deadline) noting that development decisions are made years in advance of bid submission. • Several stakeholders requested a mid-2026 update immediately following LT2 (e-1) and (c-1) contract awards to reflect the impact of awarded projects on system capacity, noting this information is critical for developers preparing proposals for LT2 (e-2) and (c-2). • On stakeholder recommended accelerating draft deliverability guidance based on the already published list of Transmission Projects Considered for LT2 Window 2 and LT2 Window 1 winners • One stakeholder encouraged the IESO to provide greater transparency and objectivity regarding how deliverability guidance values are compiled to allow developers to better interpret and fill gaps in the information. 	<p>The IESO recognizes the importance of providing Proponents with up-to-date deliverability guidance that incorporates the most recent procurement outcomes and planning assessments, enabling informed project siting decisions.</p> <p>The IESO is committed to publishing deliverability guidance at the earliest feasible opportunity. In addition to the list of transmission projects considered for Window 2 of the LT2 RFP, which was shared during the April 21 Stakeholder Engagement Webinar, the IESO plans to release draft deliverability guidance by September 2026, followed by final guidance in 2027 after the conclusion of the Long Lead Time RFP.</p> <p>The IESO is currently finalizing the timelines for Window 2 of the LT2 RFP and will provide updated tentative timelines at the next stakeholder engagement session.</p> <p>The IESO encourages stakeholders to submit feedback on any additional information they would like to see included in the draft deliverability guidance for Window 2 of the LT2 RFP, including further details on the methodology used to develop the guidance.</p>
<p>Multiple stakeholders encouraged the IESO to produce detailed transmission capacity visuals and maps, like other provinces, to more clearly signal where hosting capacity may be available.</p>	<p>The IESO appreciates this feedback and will consider it when issuing future deliverability guidance.</p> <p>Further to Appendix A of the LT2 RFP Preliminary Connection Guidance, Hydro One and IESO have collaborated to provide participants an option to request a map by completing the forms found here</p>

Feedback / Common Themes	IESO Response
<p>One stakeholder advocated for the approach used under LT1 of conducting a deliverability test process in advance of procurement, allowing proponents to focus resources on viable projects before incurring major bid costs.</p>	<p>The IESO is currently evaluating the best options for LT2 Window 2 deliverability, considering feedback received to date. Further details will be shared at a future engagement session. The IESO notes, however, that individual pre-deliverability assessments provide similar guidance as the current approach to deliverability guidance, which gives an available capacity on a circuit assuming the project connecting to it is the first project considered in deliverability testing.</p>
<p>Stakeholders urged the IESO to prioritize near-term transmission upgrades in northern Ontario to unlock significant wind and solar development potential that LT2 Window 1 demonstrated exists in the region:</p> <ul style="list-style-type: none"> • Stakeholders identified three key system constraints — Wawa, Mississagi, and Hanmer/Essa — as pivotal stage gates for northern Ontario projects, and requested preliminary insights into expected transfer capabilities or constraint relief in these areas. • Stakeholders submitted that the ability to move electricity from northern to southern Ontario should be a near-term transmission upgrade priority, noting that the volumes of new energy needed in Ontario are unlikely to come primarily from southern Ontario given land availability and siting constraints in that region. • Stakeholders emphasized that LT2 Window 1 should not result in a one-time opportunity for northern wind and solar developers, and that early clarity on northern regional capacity is critical to maintaining investment in future windows. 	<p>The IESO has recently completed the Northern Ontario Bulk Planning initiative in September 2025, which was undertaken to assess the reliability of the bulk transmission system that connects Northern and Southern Ontario. The complete report and engagements can be found here.</p> <p>Future bulk plans will investigate the constraints in and around the Wawa and Mississagi areas.</p> <p>In preparation of preliminary connection guidance for Window 2 and future procurement Windows of LT2, the IESO will take into account the recommendations from these plans as well as project outcomes and the IESO’s experience from Window 1 to see what changes can be made to deliverability assumptions to open up capacity in Northern Ontario.</p> <p>The IESO does expect, however, that transmission capacity in Northern Ontario will be limited in Window 2 in comparison to Window 1.</p>

E) General Comments

Stakeholders raised a range of additional feedback on procurement design, capacity stream structure, gas engine lead times, distribution-connected generation, hydro-specific considerations, environmental regulations, the Supply Chain Disclosure Plan, and Indigenous participation. Specific feedback is summarized below.

Feedback / Common Themes	IESO Response
<p>The IESO should establish repowering as a separate procurement stream with its own targets, to prevent repowered facilities from competing against and displacing new non-emitting resources in LT2:</p> <ul style="list-style-type: none"> • Several stakeholders submitted that repowering should not be a competing category within LT2, and recommended it be treated as a complementary stream with a streamlined, separate process to ensure LT2 remains focused on procuring additional new non-emitting resources. • Several stakeholders supported separate procurement targets for repowering and new-build projects to avoid repowered facilities — particularly gas — competing directly against new storage or other non-emitting resources. • One stakeholder recommended the IESO look to other jurisdictions that evaluate repowering through separate modernization or extension pathways, and recommended the IESO reserve independent discretion to procure above target for both new-build and repowering streams without linking the two. 	<p>As indicated in the April 20, 2026 IESO Response to Feedback, the IESO does not intend to bifurcate the LT2 Window 2 energy target into separate streams or separate targets for new-build and repowered resources. This approach ensures (1) repowered resources will only be procured if they are cost-effective relative to new-build, and (2) that repowered resources will not “displace” new-build resources, which will have their own specific procurement target in a given window.</p> <p>The IESO is evaluating its approach to repowering under the LT2 Window 2 capacity target and recognizes the competitive pricing pressures facing repowered gas facilities. The IESO will be sharing its approach to repowering under the LT2 Window 2 capacity stream in the coming months.</p>

The IESO should more explicitly integrate deliverability signals into future procurement design, as transmission constraints are increasingly the binding constraint on new resource development:

- Multiple stakeholders noted that transmission availability, connection timing, and system limitations are increasingly shaping where and how projects can proceed, and that this is already evident in LT2 Window 1 outcomes.
- One stakeholder encouraged the IESO to refine how deliverability signals are integrated into procurement design, including clearer locational signals, improved transparency on constraint evolution, and consideration of whether future procurements require more explicit guidance on resource mix.

The IESO appreciates this feedback and acknowledges stakeholder concerns surrounding transmission availability in Ontario and stakeholder requests for clearer deliverability signals.

As indicated at the [April 21 Stakeholder Engagement Webinar](#), the IESO will be providing deliverability guidance updates after the completion of its procurement to provide clearer locational signals to Proponents. In addition, at this engagement, the IESO also shared future transmission upgrades available to Window 2 proponents. The IESO does not intend on providing guidance on resource mix as, unless indicated otherwise through a Ministerial Directive, the LT2 RFP remains technology agnostic.

Multiple stakeholders continued to emphasize that other Canadian jurisdictions are recognizing the longer engineered life of new equipment, suggesting that the IESO should offer longer contract terms under the LT2 RFP (e.g. 25-30 years).

As indicated in the [April 20, 2026 IESO Response to Feedback](#), the IESO recognizes that longer contract terms are currently being offered in other Canadian jurisdictions. However, the IESO is only considering a 20-year contract term for the LT2 RFP as it provides the IESO with greater ability to respond to changes in technology mix, demand outlooks, and supply mix requirements, while limiting long-term risk to Ontario ratepayers.

One stakeholder recommended the IESO revise the rated criteria structure in the LT2 capacity stream to eliminate an evaluation advantage that currently favours fossil gas generation over non-emitting resources, suggesting that the current rated criteria structure of awarding more points to Non-Storage Facilities than equivalent Storage Facilities with 12+ hour duration capability may provide a material evaluation advantage to fossil fuel-backed resources.

The IESO is currently determining the rated criteria categories that will be available for the capacity stream of Window 2 of the LT2 RFP, which will be informed by government policy and shared with stakeholders in the coming months. At this time the IESO is not considering removing the rated criteria related to 12+ hours of duration.

Feedback / Common Themes	IESO Response
<p>One stakeholder recommended the IESO introduce a contract provision for natural gas engine lead time risk equivalent to what is already in place for gas turbines (given extended equipment lead times), as well as suggesting the IESO remove late delivery penalties where proponents can demonstrate good faith expenditures and mitigation efforts, and that the IESO seek to shorten the time between bid submission and contract execution to de-risk projects.</p>	<p>The IESO is still designing requirements for the capacity stream of Window 2 of the LT2 RFP. However, at this time the IESO is not considering the introduction of a contract provision for natural gas engine lead time risk, nor is it considering modifying the existing delay liquidated damages provisions.</p> <p>The IESO is still evaluating timelines for Window 2 of the LT2 RFP and will provide an update at its next stakeholder engagement.</p>
<p>One stakeholder recommended the IESO recognize the advantages of smaller, distribution-connected generation (under 25 MW) through priority procurement points or a dedicated procurement target, citing easier siting, reduced transmission impact, and exemption from the Canadian Clean Electricity Regulations.</p>	<p>The IESO is not considering rated criteria points or a dedicated procurement target for distribution-connected resources under the LT2 RFP. The procurement mechanics of the LT2 RFP are such that if more expensive resources are required to hit procurement targets, the selection process will eventually move to procure those more expensive resources, subject to safeguards like the outlier bid threshold.</p>
<p>One stakeholder recommended allowing behind-the-meter industrial facilities to participate in LT2 through flexible metering arrangements rather than requiring costly reconfiguration to dedicated export connections.</p>	<p>The IESO is not considering an amendment to its connection requirements under the LT2 RFP. Currently, embedded facilities connected to a distribution system are eligible to participate provided they meet all applicable connection requirements as described in the LT2 RFP and Contract (i.e. adherence to the Distribution System Code).</p>

Feedback / Common Themes	IESO Response
<p>One stakeholder raised concerns that requiring disclosure of supply chain costs in the Supply Chain Disclosure Plan conflicts with the closed-book nature of the procurement. The stakeholder recommended that domestic content commitments be made through a proponent attestation at the proposal stage, with independent validation at COD.</p>	<p>The IESO has not released details for a supply chain disclosure plan for Window 2 of the LT2 RFP and the inclusion of any such plan would be the result of policy decisions made by Government as reflected through a Ministerial Directive. However, the IESO anticipates requirements of this nature would be applicable to the LT2 RFP.</p> <p>The IESO notes that the Supply Chain Disclosure Plan requirements of the Long-Lead Time Request for Proposals were directed by the Minister of Energy and Mines and the IESO is required to implement them, as would be the case if directed under the LT2 RFP.</p>
<p>One stakeholder welcomed the strong Indigenous participation outcomes in LT2(e-1) and recommended the IESO establish clearer minimum standards for Indigenous equity partnerships and Community Benefit Agreements to ensure participation translates into meaningful long-term community benefits.</p>	<p>The IESO appreciates the recognition of strong Indigenous participation outcomes in LT2(e-1) and the recommendation to establish clearer minimum standards for Indigenous equity partnerships and Community Benefit Agreements.</p> <p>Standards related to Indigenous equity participation and associated corporate, or partnership structures reflect broader policy decisions made by government. As such, the IESO’s role is to implement procurement processes in alignment with those policy directions.</p> <p>The IESO also encourages stakeholders to participate in its ongoing community engagement series and provide input on how clearer standards and expectations can be established. Such feedback will help inform how partnerships can more effectively translate into meaningful, long-term benefits for Indigenous communities.</p>
<p>One stakeholder raised concerns about alignment of IESO procurement documentation with the October 2024 Provincial Policy Statement with respect to agricultural land use, and called for compliance verification before contracts are offered.</p>	<p>The IESO appreciates this feedback and will consider it when developing requirements for Window 2 of the LT2 RFP. Stakeholders are reminded that the inclusion of agricultural land use restrictions in the LT2 RFP reflects the policy intent of the Ministry of Energy and Mines as specified in the LT2 Directive to the IESO.</p>

Feedback / Common Themes	IESO Response
<p>One stakeholder argued that, with respect to repowering of wind facilities, “no increase in footprint” should be tied to individual turbine tower locations given setback requirements under O. Reg. 359/09, called for full-range noise and infrasound assessments before approving larger replacement turbines, and submitted that pre-existing REA compliance gaps (including incomplete acoustic audits and unresolved complaint processes) should be addressed before repowering contracts are granted.</p>	<p>The IESO acknowledges the stakeholder’s comments related to turbine siting, setback requirements under O. Reg. 359/09, noise and infrasound assessments, and the resolution of existing Renewable Energy Approval (REA) compliance matters. These considerations relate primarily to permitting, siting, and regulatory compliance frameworks.</p> <p>Permitting and siting requirements (i.e. setback distances, acoustic assessment standards, management of compliance issues or complaint processes) reflect decisions made by the relevant approval authorities. Specifically, these matters fall within the jurisdiction of municipalities for projects sited in whole or in part within municipal boundaries, or the Ministry of Natural Resources for projects located in whole or in part on Crown land.</p> <p>As such, these issues are outside the scope of the IESO’s procurement and contract design processes.</p>
<p>One stakeholder raised concerns about the climate risk exposure of long-duration fixed-price hydropower contracts, contested the characterization of reservoir-based hydropower as non-emitting, and raised issues related to physical and environmental impacts of hydro electric facilities on public waterways. This stakeholder recommended limiting hydropower contracts to a maximum of five years with renewal contingent on demonstrated performance and an updated hydrologic assessment, and called for mandatory dam safety reviews and climate-readiness assessments for hydroelectric repowering independent of IE certification.</p>	<p>All proponents participating in the LT2 RFP are subject to the same contract term length post COD. The IESO is not considering differentiated contract terms based on technology type, including for hydroelectric facilities or repowering projects.</p> <p>With respect to the stakeholder’s comments on dam safety reviews, climate-readiness assessments, and broader environmental and physical impacts of hydroelectric facilities, these matters fall within the scope of the relevant regulatory and approval authorities. While the LT2 Contract requires compliance with applicable laws and regulations, future regulatory compliance is not part of the IESO’s considerations during the proposal evaluation process.</p>