

Feedback Form

Draft Long-Term RFQ – Posted February 28, 2022

Feedback Provided by:

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The Independent Electricity System Operator (IESO) is seeking feedback from participants on the draft Long-Term Request for Qualifications (LT1 RFQ). The LT 1 RFQ will seek to ensure that interested parties have the capability to undertake project development for the LT1 RFP and will seek to evaluate applicants both on corporate experience and employee experience.

The draft LT1 RFQ can be found on the [Long-Term RFP webpage](#).

Please provide feedback by March 31, 2022 to engagement@ieso.ca.

Please use subject header: **Draft Long-Term 1 RFQ**. To promote transparency, this feedback will be posted on the [Long-Term RFP webpage](#) unless otherwise requested by the sender.

The IESO will work to consider and incorporate comments as appropriate and post responses on the webpage.

Thank you for your contribution.

Draft LT 1 RFQ

Topic/ RFQ Section	Feedback
<p>Qualification Submission</p> <p>Qualification Submission Fee / Section 2.7 (b)(i)</p>	
<p>Mandatory Requirements for Large-Scale LT1 Projects</p> <p>Large-Scale Entity Development Experience / Section 3.2 (a)(i)</p>	<p>The proposed requirements could limit participation from well-positioned and established local companies. Ontario’s “large-scale” energy storage landscape is relatively small and as such there should be sufficient flexibility to enable proponents’ participation. Further, storage resources can scale based on Power (MW) or Energy (MWh), but these requirements only measure scale in terms of Power.</p> <p>We request the IESO consider changing the Entity Development Experience minimum requirement from 2x individual 5MW resources to 2x individual 2MW resources.</p> <p>Alternatively, the IESO might consider an aggregate total of 5MWh coming from 2 or more individual projects.</p>
<p>Mandatory Requirements for Large-Scale LT1 Projects</p> <p>Large-Scale Individual Development Experience / 3.2 (a)(ii)</p>	<p>The proposed requirements could limit participation from well-positioned and established local companies. Ontario’s “large-scale” energy storage landscape is relatively small and as such there should be sufficient flexibility to enable proponents’ participation.</p> <p>We request the IESO consider changing the minimum Individual Development Experience requirement from 2 years to 10 years.</p>
<p>Mandatory Requirements for Large-Scale LT1 Projects</p> <p>Market Operating Experience / 3.2 (a)(iii)</p>	

Topic/ RFQ Section	Feedback
<p>Mandatory Requirements for Small-Scale LT1 Projects</p> <p>Small-Scale Entity Development Experience / Section 3.2 (b)(i)</p>	<p>The proposed requirements could limit participation from well-positioned and established local companies. Ontario's energy storage landscape is relatively small and as such there should be sufficient flexibility to enable proponents' participation.</p> <p>We request the IESO consider changing the Entity Development Experience minimum requirement to include fewer individual projects (eg. 2-3 rather than 5).</p>
<p>Mandatory Requirements for Small-Scale LT1 Projects</p> <p>Small-Scale Individual Development Experience / 3.2 (b)(ii)</p>	
<p>Mandatory Requirements for Small-Scale LT1 Projects</p> <p>Market Operating Experience / 3.2 (b)(iii)</p>	

General Comments/Feedback

Overall, we feel the IESO must adjust the requirements to ensure a more level playing field. Doing so would enable increased competition, thus allowing ratepayers to benefit the most, while also ensuring well-qualified companies are not unnecessarily prevented from participating. As written, the RFQ is likely to prevent participation from smaller entities that have been successful in prior IESO energy storage or alternative procurements, who have also demonstrated an ability to execute and operate complex and / or first of kind resources in Ontario.

We understand the IESO's rationale behind the existing RFQ requirements, aligning the Power / MW requirements directly to the Large-Scale / Small-Scale categories. However, for energy storage resources these metrics do not properly define a proponents' capabilities to deliver different sized projects. Depending on project-type MWh may be a better metric than MW to determine scale.

We appreciate the IESO reviewing the participation requirements for smaller entities that are more than qualified to participate and deliver in an eventual RFP. We would support alternative measures like a higher bid security to achieve the same objective of ensuring proponents are qualified and incented to execute if awarded a contract.

Finally, we feel strongly that Indigenous engagement and ownership is crucial to the success of any new build infrastructure project in Ontario. Would the IESO consider a requirement that entities must demonstrate a % of Indigenous ownership in order to participate?