

# Stakeholder Feedback and IESO Response

## Long-Term RFQ Draft – April 22 2022

Following the release of the April 22, 2022 Draft Long-Term RFQ (LT1 RFQ), the Independent Electricity System Operator (IESO) invited stakeholders to provide feedback on the materials presented.

The IESO received feedback from the following stakeholders:

- AB Energy Canada
- Baseload Power
- Bedrock Energy
- BW Solar
- Capital Power
- City of Ottawa
- Compass Renewable Energy Consulting
- EDF Renewables
- Energy Storage Canada
- Enfinite
- EverGreen Energy
- Flowers Canada
- NRStor
- Ontario Greenhouse Vegetable Growers
- SWEB Development
- The Ontario Greenhouse Alliance

This feedback has been posted on the [engagement webpage](#).

## Note on Feedback Summary and IESO Response

The IESO appreciates the feedback received from stakeholders. The table below responds to the feedback received and is organized by each topic. This document is provided for information purposes only. It does not constitute, nor should it be construed to constitute, legal advice or a guarantee, offer, representation or warranty on behalf of the IESO.

### Qualification Submission

Feedback	IESO Response
<p>Stakeholders requested clarification around the use of the Description of Long-Term Reliability Project.</p>	<p>The LT1 RFQ is designed to qualify applicants not individual projects. However, the IESO is requesting that each applicant submit at least one Prescribed Form: Long-Term Reliability Project Description While applicants will not be bound by the project information they have provided at the RFP stage of the procurement (except for the mandatory project information in respect of the projects seeking to participate in the Expedited Process, as described below), the information provided will help inform the IESO's refinement of procurement design and additional considerations.</p> <p>The project may be updated from the RFQ to the RFP and additional projects may be bid at RFP submission.</p> <p>Proponents seeking to participate in the Expedited Process must submit separate Prescribed Form: Long-Term Reliability Project Description for each of the projects they intend to submit at the Expedited Procurement RFP stage.</p>
<p>Stakeholders suggested the IESO publish a project information form.</p>	<p>The IESO will publish the Prescribed Form: Long-Term Reliability Project Description together with the final LT1 RFQ.</p>
<p>Some Stakeholders suggested that the Qualification Submission Fee should be refunded if application is unsuccessful.</p>	<p>The Qualification Submission Fee will remain non-refundable.</p>

Feedback	IESO Response
<p>Can a company qualify for the RFQ under two entities (A partnership with another entity and on a stand-alone basis), which would allow such company to participate in the expedited RFP with one project and the LT RFP with the same project and/or a different project?</p>	<p>Provided that both RFQ Applicants meet the requirements of Section 3 of the LT1 RFQ, as it relates to eligibility for either the Expedited Process or the LT1 RFP (as set out in section 3.4 of the LT 1 RFQ), the scenario described would be acceptable. Furthermore, should a project in respect of a proposal submission into the Expedited Process not be selected thereunder, it would be eligible to be the subject of a proposal (from the same or another Qualified Applicant) under the LT1 RFP.</p>

### Team Member Mandatory Requirements

Feedback	IESO Response
<p>Stakeholders suggested clarifications around Designated Team Members being on multiple Teams.</p>	<p>The same individual may be a Designated Team Member for more than one RFQ Applicant for purposes of determining Qualified Applicants. It should be noted that a Designated Team Member must be a director, officer or an employee of the RFQ Applicant or a Control Group Member of the RFQ Applicant (and may not be solely a third party service provider or consultant to the RFQ Applicant or Control Group Member). Per Section 2.10 of the LT1 RFQ, the same individuals may be Designated Team Members of more than one RFQ Applicant for purposes of determining Qualified Applicants. However, interested parties should consider that there will be anti-collusion requirements applicable under the LTI RFP and Expedited Process that may effectively limit the ability for Designated Team Members to actively participate in multiple proposal submissions.</p>

Feedback	IESO Response
<p>Stakeholders suggested the RFQ Applicant’s registered board of directors be added to the definition of Designated Team Members.</p>	<p>The Designated Team Members definition has been updated to include Directors, Officers or employees of the RFQ applicant.</p>
<p>Stakeholders suggested the team member period to demonstrate experience with projects in the last 15 years be increased.</p>	<p>The IESO will not be modifying the period over which experience must be demonstrated.</p>
<p>Some stakeholders requested clarification on the team member experience:</p> <ul style="list-style-type: none"> <li>• Can the same project be used to claim experience across experience categories (planning, developing, etc.)?</li> <li>• Does each team member need experience in each of the experience categories?</li> </ul>	<p>Yes, the same project can be used to demonstrate team member experience across the required experience categories.</p> <p>Experience of at least 2 Designated Team Members must be demonstrated collectively across the team members for the 5 different experience categories. In other words, if one Designated Team Member has the required experience in all 5 categories, a 2<sup>nd</sup> Designated Team Member has experience in 4 of the 5 categories and a 3<sup>rd</sup> Designated Team Member has experience in the last experience category that the 2<sup>nd</sup> Designated Team Member does not possess, this would satisfy the requirements of in 3.2 (b).</p>

Feedback	IESO Response
<p>Can the IESO clarify how contracted individuals are considered under the team experience qualifications both for the original team and/or for replacements in the case of staffing changes?</p>	<p>Contracted service providers are not, by virtue of such contractual service relationship alone, eligible to constitute Designated Team Members of an RFQ Applicant. A Designated Team Member must be a director, officer or an employee of the RFQ Applicant or a Control Group Member of the RFQ Applicant. The nature of the 'contracted individual' must be such that they meet the definition of the Designated Team Member. In case of staffing changes from the RFQ to RFP stage of the Expedited Process or LT1 RFP, the Team Member Mandatory Requirements must be maintained, even if there are personnel changes within a Qualified Applicant.</p>
<p>Stakeholders suggested that team members with experience on projects that will achieve COD prior to LT1 Contract award be considered eligible to satisfy the LT1 RFQ team member experience requirements, instead of requiring projects to have achieved COD prior to the qualification date.</p>	<p>As there is no guarantee that the project in question will reach its commercial operation date (COD), the IESO will only consider team member experience gathered in respect of projects that achieved COD prior to the Qualification Submission Deadline and that meets the other criteria for Qualifying Large-Scale Projects or Qualifying Small-Scale Projects.</p>

## Evaluation of Entity Development Experience

Feedback	IESO Response
<p>Some Stakeholders suggested removing the requirement in the Large-Scale entity experience to have directly owned two or more operating Electricity generation or storage assets within the past 15 years.</p>	<p>The IESO will not be modifying the Large-Scale Entity Development Experience Threshold as described in the LT1 RFQ.</p> <p>RFQ Applicants that are determined to be Qualified Applicants but who do not meet the Large-Scale Entity Development Experience Threshold may still be able to submit proposals for Large-Scale LT1 Projects as long as they satisfy the requirements in section 3.4 of the LT1 RFQ.</p>
<p>Some stakeholders suggested lowering the quantity of Electricity Generation or storage Facilities required to meet the Small-Scale Entity Development Threshold from five (5) to four (4).</p>	<p>Based on the feedback received, the IESO has lowered the quantity of Electricity generation or storage facilities required to meet the Small-scale Entity Development Threshold to four (4).</p>
<p>Stakeholders suggested the IESO accept only evidence of the achievement of commercial operation to qualify for the large scale entity experience for projects that are already in operation.</p>	<p>The IESO has updated section 3.3 (a)(ii) and 3.3(b)(ii) to only require documentation of the achievement of commercial operation (or equivalent commissioning documentation) in respect of such Qualifying Large-Scale Project or Qualifying Small-Scale Project from the applicable Governmental Authority or electric utility (which may be in the form of a letter, notice, publication or other statement from the applicable Governmental Authority or electric utility).</p>

Feedback	IESO Response
<p>Stakeholders suggested the IESO accept an organizational chart in place of a securities register.</p>	<p>Where the RFQ Applicant is not the same Person as the named project entity in respect of a Qualifying Large-Scale Project or a Qualifying Small-Scale Project submitted for purposes of meeting the applicable Entity Development Experience threshold, the IESO requires both an organizational chart, together with evidence of applicable securities holdings reflected in such organizational chart via copies of the securities register(s), together with a statutory declaration by an authorized representative of the RFQ Applicant indicating that the organizational chart and corresponding securities registers are accurate and complete in all material respects. Additionally, the IESO reserves the right to require the RFQ Applicant to provide additional corporate records to evidence required Control by the RFQ Applicant or Control Group Member, as applicable if required (such as articles of incorporation, shareholder agreements or other constating documents that may establish Control).</p>
<p>Stakeholders suggested that contact details for a leader of the project who has experience developing the project be sufficient for Section 3.3(a)(iii) requiring contact details of person employed by the applicable governmental authority or utility responsible for the procurement or regulation of the Qualifying Large-Scale Project for those that are outside of Ontario.</p>	<p>The IESO has not modified the requirements in Section 3.3 (a)(iii). The information requested is necessary for the IESO to ensure projects located outside of Ontario can be verified.</p>

## Determination of Eligibility

Feedback	IESO Response
Stakeholders suggested Small-Scale LT1 projects be included in the expedited process.	The IESO has included Small-Scale LT1 Projects under the Expedited Process, with the eligibility requirements outlined in section 3.4 (g).

## General Feedback

Feedback	IESO Response
Some Stakeholders suggested creating a third size category for projects greater than 5MW but less than 50MW	The IESO will not establish an additional size category for purposes of the LT1 RFQ. The additional options introduced by the IESO for qualifying for the LT1 RFQ and Expedited Process should provide additional opportunity to the owners/operators of facilities of different sizes.
Stakeholders expressed concern with the communication protocols as they are currently drafted.	<p>The IESO has refined the communications protocols outlined in section 2.5 of the LT1 RFQ, reducing and clarifying the Excluded Purposes described.</p> <p>Prohibited communication will be limited to attempts to impugn the LT1 RFQ or to influence the outcome of the LT1 RFQ by communications with IESO or government personnel as it relates to the LT1 RFQ.</p>