

# Feedback Form

## Long-Term RFP – June 9, 2022

Feedback Provided by:

Name: [REDACTED]

Title: [REDACTED]

Organization: [REDACTED]

Email: [REDACTED]

Date: June 20, 2022

Following the June 9<sup>th</sup> public webinar on the Long-Term RFP, the Independent Electricity System Operator (IESO) is seeking feedback from participants on the additional procurement mechanisms, as well as on proposed revenue streams.

The referenced presentation can be found on the [Long-Term RFP webpage](#).

**Please provide feedback by June 20, 2022 to [engagement@ieso.ca](mailto:engagement@ieso.ca).**

Please use subject header: **Long-Term RFP**. 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.

## Additional Mechanisms: Overview and Linkages

Topic	Feedback
Please provide any feedback on the IESO's overview of the Additional Mechanisms (Expedited Process, Same-Technology Expansions, FCA) and the linkages between acquisition mechanism (e.g., Expedited Process and LT1 RFP, or LT1 RFP and LT2 RFP)	

## LT1 RFP and Expedited Process: Mandatory Requirements and Rated Criteria

Topic	Feedback
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Topic	Feedback
<p>Please provide any feedback on the Mandatory Requirements and Rated Criteria proposed for the LT1 RFP and Expedited Process.</p>	<p>Considering the tight timeline associated with the Expedited RFP, the rated criteria as they are currently drafted do not place any value on projects that can demonstrate an advance state of readiness. For the Expedited RFP, we strongly encourage the IESO to consider allocating points for project readiness for projects that have completed development milestones such as a completed environmental permits and/or approvals.</p> <p>We understand how the Deliverability Test is different from System Impact Assessment, but for the Expedited RFP, it is very important to have the results of both the Deliverability Test and the SIA to ensure that the project will be able to perform and deliver as it is proposed under such a tight timeline. For the Expedited RFP, we strongly encourage the IESO to consider allocating points for project readiness and specifically for a completed SIA that matches or is greater than what was approved under the Deliverability Test.</p> <p>Some proponents, due to their strong relationships with First Nations, are able to provide First Nations support letters as part of their RFP submission. Considering the timeline for the Expedited Process, such support is an important step in demonstrating project readiness. For the Expedited RFP, we strongly encourage the IESO to only consider allocating points for projects that have support letters from First Nations that have a territorial connection with the project (e.g. the project is on their territorial lands) and that more points should be allocated to projects with more than one First Nation also with a similar territorial connection. Requiring support letters before or after any IESO contract award would put unreasonable requirements on the associated projects.</p> <p>In terms of the allocation of points across different project characteristics, for the Expedited RFP, we strongly encourage the IESO to recognize that the location of the project is as important, if not more important, than all other project characteristics.</p> <p>In terms of allocating points to the duration of an energy storage project, for the Expedited RFP, we strongly encourage the IESO to develop a scale that allocates points for each hour of duration and that the impact of such point allocation on the bid price reflects the real world cost of adding such duration.</p> <p>As municipal council elections are planned in October 2022 and there will be associated blackout periods, for the Expedited RFP, we strongly encourage the IESO to not allocate points to projects that can submit municipal letters of support. Requiring any municipal support letters after any IESO contract award would interfere with the municipal process.</p> <p>Considering that not all physical connection points and connection arrangements are equal in terms of resiliency, reliability, availability and overall system benefit other than just providing capacity, we strongly encourage the IESO to allocate points to projects that demonstrate these capabilities as set-out in their proposed connection arrangement, SIA and/or the Deliverability Test?</p>

## LT1 RFP and Expedited Process: Proposed Contract Design

Topic	Feedback
Please provide feedback on the proposed contract design for the LT1 RFP and Expedited Process. The IESO welcomes feedback on the proposed approach for qualifying capacity as well as the proposed Capacity Payment Adjustment Mechanism.	We recommend the IESO consider utilizing an energy storage specific contract for the Expedited Process, which would be similar to the contract structure used in the IESO's Phase 2 Energy Storage Procurement process. The Phase 2 contract was a capacity based contract and included a mechanism to incent energy storage facilities to charge and discharge in accordance with market pricing. If the IESO were to make such a consideration, we would strongly recommend making modifications to the Phase 2 Energy Storage Procurement to ensure the contract has been updated to reflect commercially reasonable round-trip-efficiencies and termination and liquidated damage conditions considering that the size and scale of the Expedited Process and LT1RFP and LT2RFP are significantly larger than the size and scale of the Phase 2 Energy Storage Procurement Process.

## LT1 RFP and Expedited Process: Proposed Term Lengths

Topic	Feedback
Please provide any feedback on the term length considerations proposed in addition to the incentive mechanism for the Expedited Process.	

## Deliverability Assessment

Topic	Feedback
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Topic	Feedback
Please provide feedback on the IESO's proposed process for deliverability testing and timelines.	<p>As the deliverability of a specified amount of capacity to a connection point is affected by the distance it must travel from the project site (i.e. meter location) to such connection point, will the Deliverability Test, for each proposed connection capacity and connection point that a RFQ Applicant submits, take into account how far the project site (i.e. meter location) is away from the actual physical location of the connection point?</p> <p>Considering that not all physical connection points and connection arrangements are equal in terms of resiliency, reliability, availability and overall system benefit, how will the IESO take these factors associated with each connection point into account in performing the Deliverability Test?</p> <p>Where 2 qualified RFQ Applicants have both submitted Project X under the RFQ for the Expedited RFP, will both such RFQ Applicant submit Project X to the Deliverability Test? Will both such RFQ Applicants be required to also submit Project X with the same project parameters (i.e. capacity and connection point options for such project)?</p> <p>Because the results of the Deliverability Test for the LT1 RFP come out after Expedited Process proponents find out if their project was awarded a contract, how will projects that were not awarded a contract under the Expedited Process but intend to participate under the LT1 RFP be able to ensure that their project is captured in the Deliverability Test for the LT1 RFP?</p> <ul style="list-style-type: none"> <li>- Will the Deliverability Test for the LT1 RFP assume all projects submitted under the Expedited Process have been connected when conducting the Deliverability Test for the LT1 RFP?</li> <li>- If a project that is submitted to the Expedited RFP is not awarded a contract will the Deliverability Test result ascribed during the Expedited Process Deliverability Test remain valid for such project to be submitted under the LT1 RFP?</li> </ul>

## Additional Acquisition Mechanisms: Same Technology Expansions

Topic	Feedback
Are the descriptions of the different kinds of upgrades/expansions clear and reflective of the options?	

Topic	Feedback
What are the interdependencies between the existing contract, any upgrades and on-site expansions that need to be considered?	
Are any interdependencies missing/not fully captured?	
What are the considerations for participating in the Expedited Process or LT1 RFP?	
What other key considerations/risks need to be included to help ensure this initiative is successful?	

### Additional Acquisition Mechanisms: Forward Capacity Auction

Topic	Feedback
<p>Is expanding eligibility to variable generation, self-scheduling and co-located hybrid facilities in the FCA and ACA a priority for stakeholders?</p> <p>(Refer to slide 99)</p>	

Topic	Feedback
<p>Any feedback and suggestions on how the performance assessment framework may need to be modified to reflect the design differences?</p> <p>(Refer to slide 106)</p>	
<p>Any feedback on potential features that could be considered for the design of the FCA?</p> <p>(Refer to slide 108)</p>	
<p>Is expanding eligibility to variable generation, self-scheduling and co-located hybrid facilities in the FCA and ACA a priority for stakeholders?</p>	
<p>Any feedback and suggestions on how the performance assessment framework may need to be modified to reflect FCA design differences?</p>	
<p>What other design features should be considered to increase the attractiveness of a Forward Capacity Auction as part of IESO's suite of acquisition mechanisms?</p> <p>(Refer to slide 110)</p>	

## General Comments/Feedback

