



April 12, 2023

Submitted to LT.RFP@ieso.ca & engagement@ieso.ca

Subject: Long-Term RFP Webinar Feedback

EDP Renewables North America LLC (EDPR), its affiliates, and its subsidiaries develop, construct, own, and operate wind farms solar parks and battery storage projects throughout North America. With 58 wind farms, nine solar parks, and eight regional offices across North America, EDPR has developed more than 8,800 megawatts (MW) and operates more than 8,200 MW of onshore utility-scale renewable energy projects. In Ontario, EDPR owns and operates two wind farms: the 100 MW Nation Rise Wind Farm in North Stormont, and the 30 MW South Branch Wind Farm in South Dundas. We have several wind, solar and battery energy storage projects under development and have been qualified to participate in the LT 1 RFP.

We welcome this opportunity to provide feedback to the IESO on the Long Term 1 RFP. We also wanted to provide feedback on the Expedited RFP, given the IESO's intention to maintain a similar structure in both RFPs. We appreciate the opportunity to submit feedback and we encourage the IESO to consider the comments regarding the Expedited RFP and recommendations for the forthcoming LT 1 RFP as provided below.

Expedited RFP and LT 1 RFP Recommendations

EDPR recognizes that significant efforts were carried out by the IESO during the development and completion of the Expedited RFP. Given the timeline and requirements of the procurement, EDPR would like to provide the following comments:

- 1) Contract Provisions
 - a. Critical Path Items – Both the Expedited RFP and the LT 1 RFP are designed to procure projects to meet the system needs identified in the Annual Planning Outlook. As such, proponents are actively developing projects to meet the timelines and requirements of these procurements. It is likely that projects will not have secured or received final permits or interconnection agreements prior to their project submissions. These critical path items collectively impact the cost, timing and feasibility of individual projects. EDPR believes that the IESO should include clear contract provisions which recognize changes to these critical path items which are outside of the control of the proponent. This could be a recognition of reasonable timelines and costs, beyond which the IESO would provide contract relief.
 - b. Market Rule Protection – The Expedited RFP did not provide protection or certainty should a selected project be required to adjust their operational profile to meet changes in Market Rules. We recommend that the IESO provide a protection provision in the LT 1 RFP in the event a change in Market Rules impacts the operational viability of the project. We also recommend that this be treated separately from the Force Capacity Payment (FCP) cap as per the Expedited RFP Contract. The absence of this protection puts risks onto the proponent which are in the sole control of the IESO through those market rule amendments.

- 2) Interconnection Risks
 - a. Proponents were advised not to engage in System Impact Assessments during the completion of the Deliverability Test by the IESO. This limited the ability of the proponent

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- to receive information on the timing, requirements or costs of system upgrades associated with the connection of the project.
- b. In addition, Hydro One released a 'setback' requirement form just prior to the submission date of the Expedited RFP. This document provided another layer of uncertainty for many projects that were intending to participate under the Expedited LT 1 RFP.
 - c. We recommend that the IESO encourage communication between proponents and grid operators/owners during the LT 1 RFP and provide relief in the contract provisions should the results of the studies impact project costs or timelines after the procurement contract has been awarded.

LT1 RFP Webinar Feedback and Recommendation

- 1) CleanTech Investment Tax Credit and CIB
 - a. The 2023 Federal Budget, released just weeks ago, outlined a 30% Clean Technology Investment Tax Credit (ITC) which is likely applicable to many projects intending to be ready for the LT 1 RFP. The renewable energy sector is eager to take advantage of such a strong ITC, but the timing of the IESO's deliverability test and proposal submission dates makes it unlikely to be utilized in this procurement, ultimately reducing the pool of mature projects and credible developers the IESO can choose from. We believe the inclusion of the ITC will be a benefit to both the IESO and the rate payers of Ontario. As such, we recommend the IESO consider amending the LT 1 RFP submission deadline to a date after the confirmation of the ITC by the Federal Government. We would also recommend that the IESO work with the Canadian Infrastructure Bank (CIB) early in the LT 1 RFP process to ensure the CIB has the opportunity to provide a financing mechanism for proponents to consider during their submissions.
- 2) Deliverability Test and Submission Due Date
 - a. We agree with other stakeholders that the proposed timing between the deliverability test ("Sept/Oct") and proposal submission date ("Oct/Nov") is too short for developers to adjust proposals to reflect the published deliverability results. At the same time, the Federal Government may or may not be finalizing the ITC in the fall of 2023.
 - b. Increasing the timeframe between deliverability testing and the proposal submission date by moving back the proposal submission date would likely increase the competitive nature of this procurement.
 - c. By adjusting the timeline to better allow developers to be responsive to deliverability needs, the IESO can reduce some of the unnecessary risk being carried by developers, grow the pool of mature projects being submitted for consideration, and create the conditions for successful, competitive procurement.

Sincerely,

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