

Feedback Form

Long-Term RFP – March 28, 2023

Feedback Provided by:

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Date: April 11, 2023

Following the March 28th public webinar on the Long-Term RFP (LT1 RFP), the Independent Electricity System Operator (IESO) is seeking feedback from participants on design of the LT1 RFP and LT1 Contract.

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

Please provide feedback by April 11, 2023 to 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.

LT1 RFP Design and Lessons Learned from E-LT1 RFP

Topic	Feedback
<p>E-LT1 RFP: Please provide any general feedback reflecting on your participation in the E-LT1 RFP as it relates to the upcoming LT1 RFP.</p>	<p>Potentia Renewables Inc (PRI) was pleased to participate in the E-LT1 process but there were challenges to the procurement that we would like to see addressed in the LT1 RFP.</p> <p>There were challenges during the E-LT1 process around what a loan product from CIB would look like and how it would be incorporated into the E-LT1 process. Clarity came very late in the process, and we want to see better coordination and communication between CIB, IESO and proponents well before bid submission.</p> <p>The IESO should also be mindful of the timeline for clarity on Investment Tax Credit (ITC) for Clean Technology and the ITC for Clean Electricity as it relates to the labour provisions. The proposed timing for bid submissions coincides with the timing we expect to have more clarity on the specifics of the ITC. It would be helpful to have clarity on the ITC labour requirements prior to bid submission.</p> <p>The requirement to have a municipal support resolution was also a late addition to the E-LT1 process and made it difficult for projects obtain resolutions. We support community engagement for the siting of energy infrastructure but believe that a Municipal Support Resolution should not be part of the mandatory criteria. We support including a Municipal Support Resolution as part of the rated criteria.</p> <p>We also support a streamlined process that allows unsuccessful E-LT1 RFP projects</p>

LT1 RFP design: Please provide any feedback on the proposed Mandatory Requirement for Municipal Support.

PRI understands that the Mandatory Requirement for Municipal Support stems from the Ontario Minister of Energy's letter to the IESO dated December 23, 2022. While we support municipal consultation prior to developing any large infrastructure project, we strongly believe that municipal support should not be a mandatory requirement. We support including it as part of the rated criteria consistent with the E-LT1 requirements.

Making the requirement mandatory will have many unintended consequences including putting municipalities in a position to evaluate projects that they do not have the technical expertise to evaluate. This places an undue burden on municipalities that often do not have the ability to bring in external resources to evaluate projects. Additionally, based on our experience through E-LT1, many municipalities did not feel comfortable providing support to a project without it having gone through the required Provincial and Municipal permitting processes. Given the early-stage nature of projects at the procurement stage, it is not reasonable to expect projects to complete full permitting regimes ahead of LT-1 bid submission in order to obtain an MSR. In our experience, while Mayors and Council members understood that the Municipal Support Resolution was not a permit approval, they still did not feel comfortable with the perception that their support could be seen as granting of an approval without the necessary permits in place. Ultimately, it gives municipalities the power to pick winners and losers, undermining the competitiveness of the process.

While PRI understands the importance of municipal support for large infrastructure projects like wind, solar and energy storage, we believe the best way to achieve that support is through points allocated under rated criteria. Also, the IESO should not limit proof of support to only a Municipal Resolution but to allow proponents flexibility in the process. Municipal support could take many forms beyond a Support Resolution, including through community benefit agreements and other such tools.

Topic	Feedback
LT1 RFP design: Please provide any feedback on the Rated Criteria Categories and Point Allocation.	

Indigenous Community Participation

Topic	Feedback
Please provide any feedback on the Rated Criteria for Indigenous Community Participation as contemplated in the E-LT1 RFP as it relates to the upcoming LT1 RFP.	

Proposed Contract Design: General Feedback

Topic	Feedback
<p>Please provide feedback on any contract provisions you wish to comment on.</p> <p><i>Note: the commercial structure/ revenue model for the LT1 Contract will not be modified from that which was used under the E-LT1 Contract.</i></p>	

General Comments/Feedback

The current schedule proposed by the IESO leaves roughly 30 days between the results of the Preliminary Deliverability test and bid submission. The current 30-day window may create challenges in final project development requirements i.e., engagement with Indigenous partners and municipalities for support resolutions require specific details like project size and location that can only be confirmed upon outcome of deliverability assessment. We propose that the IESO either conduct the deliverability test sooner in the LT1 process or provide proponents with data on transmission availability as soon as possible.

Additionally, the IESO should provide guidance as soon as possible to the stakeholder community with respect to locational needs and rated criteria points to signal to the market where to prioritize development opportunities.

