

Stakeholder Feedback and IESO Response

Long-Term RFP (LT1 RFP) – June 29, 2023

Following the June 29, 2023 LT1 RFP engagement webinar, the Independent Electricity System Operator (IESO) invited stakeholders to provide feedback on the design of the LT1 RFP and LT1 Contract.

The IESO received feedback from the following stakeholders:

- [APPrO](#)
- [Atura Power](#)
- [Baseload Power](#)
- [BluEarth Renewables](#)
- [Boralex](#)
- [CanREA](#)
- [Compass Energy Consulting](#)
- [Consortium of Renewable Generators, Energy Storage Providers and the Canadian Renewable Energy Association \(CanREA\)](#)
- [Convergent Energy and Power](#)
- [EDF Renewables](#)
- [EDP Renewables North America](#)
- [Enbridge](#)
- [Energy Storage Canada](#)
- [Evolugen by Brookfield Renewable](#)

- [Hydromega Services](#)
- [Invenergy](#)
- [Marilyn Robbins](#)
- [Northland Power](#)
- [NRStor](#)
- [Six Nations of the Grand River Development Corporation](#)
- [Solar Flow-Through Funds](#)
- [SWEB Development](#)

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

Note on Feedback Summary and IESO Response

The IESO appreciates the feedback submitted. 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.

Revised Commercial Operation Date (COD) of May 1, 2028

Feedback was unanimous in supporting the revised COD and the introduction of Capacity payment multipliers for early operation. Common themes of feedback on this topic are summarized in the table below.

Feedback / Common Themes	IESO Response
<p>Extend Early COD Payment Multipliers: Include incentives to encourage some projects to come online prior to May 1, 2027.</p> <p>Flexible COD approach: Support participants in mitigating risk by allowing a flexible COD within a fixed period of time.</p> <p>Proposal Submission Timing: Push back Proposal Submission Deadline to allow more time to prepare submissions once Deliverability Test results are received.</p>	<p>The IESO will not be providing additional Early COD Payment Multipliers prior to May 1, 2027, as this time period was incentivized separately under the E-LT1 RFP and falls outside the scope of the LT1 RFP.</p> <p>Given that the LT1 RFP is addressing a specific reliability need that is time-sensitive, coupled with the administrative complexity that would be introduced to the design of cadenced procurements by allowing flexible start dates at this point in time, the COD will remain fixed at May 1, 2028.</p> <p>In response to earlier feedback, the IESO previously increased the window between Proponents receiving Deliverability Test results and the Proposal Submission Deadline. The IESO will not be considering any further significant changes to the Proposal Submission deadline, in order to support time needed for evaluation of Proposals and to ensure Projects are able to reach COD by May 1, 2028.</p>

Revised Procurement Targets

Feedback was mixed on increasing the overall LT1 RFP procurement target from 2,200 MW to 2,505 MW and moving the unused target capacity MWs from the Non-Storage Category of the E-LT1 RFP to the Non-Storage Category of the LT1 RFP. Common themes from the feedback on this topic are summarized below.

Feedback / Common Themes	IESO Response
<p>Increasing target is consistent with Government directive: Government directive set limit of 1,500 MW of natural gas-fired generation; dispatchable resources without fuel constraints are critical to resource adequacy.</p> <p>Unused MWs should not be assigned to the Non-Storage Category: pricing and potential GHG emissions should be considered first.</p> <p>Carry MWs over to future procurements: minimize the potential for negative consequences and to optimize the attributes that are required by the system in the future.</p>	<p>The IESO is carrying over the unused MWs from to E-LT1 RFP Target Capacities to the LT1 RFP in order to maintain the overall Non-Storage Target Capacity set ahead of the two procurements and outlined in the IESO’s Resource Eligibility Interim Report. This is being done for the following reasons:</p> <p>The IESO’s procurement history has shown that approximately 30% of New Build projects have commissioned on schedule. Furthermore, supply chain delays coming out of the COVID-19 pandemic had a pronounced impact on the availability of materials needed to build battery storage facilities. As such, the IESO is pursuing a diversity of capacity resources to mitigate this potential risk.</p> <p>Finally, as indicated in the 2022 APO, the duration of anticipated capacity needs cannot be met with storage alone. In the interim, non-storage resources such as natural gas-fired generation are the only flexible energy producing resources available that will help mitigate these risks.</p>
<p>Reverse the clearing order: recommend the IESO reverse the clearing order of the two categories for the LT1 RFP, and clear storage projects first to ensure that LT1 RFP clears more lower-priced projects, to the ultimate benefit of ratepayers.</p>	<p>In order to meet system reliability needs, in reviewing Deliverability Test results, the IESO will review results for projects on the Non-Storage Preliminary List first, followed by results for projects on the Storage Preliminary List. This is aligned with the Government Directive issued to the IESO on October 7, 2022, which notes the prioritization of “energy producing resources” to meet reliability needs.</p>

Changes to Rated Criteria - Overview

Feedback was generally supportive of the proposed changes to the Rated Criteria. Many feedback submissions included additional recommendations and considerations on the allocation of Rated Criteria, which are separated by topic in the following sections.

Removal of Rated Criteria – Duration of Service

There were a few comments on the IESO’s removal of the Duration of Service Rated Criteria with specific feedback summarized below.

Feedback / Common Themes	IESO Response
<p>Supportive of minimum 4-hour duration for Storage Projects</p> <p>Not supportive of minimum 8-hour duration for Non-Storage Projects: puts additional strain on the Non-Storage Category projects and greatly favours certain fuel sources over others, counter to the IESO’s “fuel agnostic” approach.</p> <p>Specify requirements for gas generation facilities: recommend requirements for firm gas storage, firm intra-day gas balancing, firm short notice gas transportation and distribution services should be specified in order to qualify the MWS from a gas-fired resource.</p>	<p>The IESO notes the overall support for removing Rated Criteria points related to Duration of Service for Storage Category and Non-Storage Category projects and acknowledges different viewpoints shared by feedback submitters regarding making the minimum duration of service a Mandatory Criterion.</p> <p>One observation from the E-LT1 RFP was that all Proposals received in the Storage Category were for 4-hours, whereas all Proposals in the Non-Storage Category received Rated Criteria points for having durations of at least 8 hours, meaning the minimum duration applicable to their Capacity Check Test would be 8 hours. The proposed change acknowledges the bifurcation that already exists in this procurement with Rated Criteria points for Duration of Service having an immaterial impact on outcome. The IESO will not be introducing requirements related to firm gas storage or fuel delivery and management. It is the responsibility of the Proponent to ensure their fuel supply is sufficient to meet their contractual requirements.</p>

Changes to Rated Criteria – Local Governing Body Support

Several feedback submissions included comments and suggestions on the Local Governing Body Support Rated Criteria. Views on Municipal Support Confirmations (MSCs), i.e., Municipal Support Resolutions and Blanket Municipal Support Resolutions were varied, with some supporting the proposed approach and others suggesting alternate approaches. Common themes from feedback on this topic are summarized below.

Feedback / Common Themes	IESO Response
<p>Accept previous MSCs: MSCs that meet the procurement requirements outlined in the LT1 RFP and were received after January 27, 2022 should be accepted.</p> <p>Assign fewer points to MSC: reduce MSC points from three (3) to one (1), so as not to unduly penalize developers located in an area where the local governing body intends to withhold their support until after award.</p>	<p>The IESO intends to be flexible with respect to Blanket Municipal Support Resolutions that were specifically passed to support a project in both the E-LT1 and the LT1 RFPs. However, in instances where no such support was granted for a specific project (i.e., Where the resolution does not explicitly apply to the LT1 RFP), the IESO wants to ensure that councils and communities hear about projects within the context of a specific procurement, and within a reasonable time horizon under the auspice of the procurement in question. Furthermore, Proponents are reminded of the important role that effective engagement with Indigenous communities and local communities, including municipalities, may play in the successful planning, development and operation of their electricity resources.</p> <p>The IESO will be proposing a revised Rated Criteria points structure based on the stakeholder and community feedback received. Details will be presented at the next engagement session on August 17th and will be reflected in the updated draft LT1 RFP.</p>

Changes to Rated Criteria – Indigenous Participation and Duty to Consult

Many feedback submissions included comments and suggestions on the Indigenous Participation Rated Criteria and Duty to Consult requirement. A large number of submissions included suggested augmentations to the scoring for Indigenous Participation, and raised concerns with the idea of additional Rated Criteria Points for Indigenous Participation that comes from a Community where the project is located. Feedback on this topic is summarized below.

Feedback / Common Themes	IESO Response
<p>Imbalance in point structure: Rated Criteria for Indigenous Participation should be increased from three (3) to six (6) points.</p> <p>Sliding scale: the points for Indigenous Participation should be allocated on a sliding scale with more tranches between 10-50% Economic Interest.</p> <p>Increase locational bonus points: further incentivize local Indigenous Economic Interest by increasing the number of bonus points to two (2) additional Rated Criteria Points for projects with local Indigenous Economic Interest.</p> <p>% Economic Interest and % Share of Project Distributions: the Indigenous Economic Interest level percentage (i.e., 10% to 50%) should directly relate to the forecasted project level after-tax cash distributions available to equity owners (“Project Distributions”).</p>	<p>The IESO will be proposing a revised Rated Criteria Points structure based on the feedback received. Further details will be presented at the next LT1 RFP engagement session on August 17th and will be reflected in the updated draft LT1 RFP</p>
<p>Price Adder: consider an Indigenous Community price adder as part of the LT1 Contract.</p>	<p>The IESO has carefully reviewed feedback on Indigenous Participation, identifying Rated Criteria Points as an effective means to value Indigenous Community Participation in both the E-LT1 and LT1 RFPs. The IESO has received additional feedback on how to further revise the Rated Criteria Point structure and will be presenting the final design at the next engagement session on August 17th as well as reflecting it in the updated draft LT1 RFP. Price adders will not be utilized in this RFP.</p>

Feedback / Common Themes	IESO Response
<p>Challenge in awarding additional Rated Criteria Points for Indigenous Participation that comes from a Community where the Project is located: further discussions between the IESO and Indigenous communities are needed on this concept, recognizing that all of Ontario is sited on Indigenous traditional territory and that many First Nations may have overlapping traditional territories.</p>	<p>The IESO acknowledges that the majority of proposed projects span Treaty lands, Metis homeland, unceded lands and the traditional territories of Indigenous Nations and groups across Ontario. The proposed Rated Criteria Points for the projects to be sited on Indigenous Lands, as defined in the LT1 RFP, provides a structure to help support meaningful participation to meet the increased expectations from First Nations and Government to ensure Indigenous communities mutually benefit from local projects. Embedding local economic participation in the Rated Criteria is designed to ensure meaningful award decisions are made for Indigenous socio-economic inclusion.</p> <p>The IESO strongly supports and encourages Indigenous participation, and the intent of the MOE’s attestation is to ensure First Nations and MétisGroups can attest to a project being located on traditional and/or treaty territory or homeland and award criteria points, despite overlapping traditional territories within First Nation communities.</p>
<p>Letter of intent: allow Proponents to submit a letter of intent setting out the Indigenous Partners and intended equity stake instead of requiring the Proponent to provide securities and registry info.</p>	<p>The IESO does not believe that a letter of intent demonstrates sufficient progress towards Indigenous Community Participation in a Project. The IESO requests securities registers and organizational charts as evidence of an Indigenous Communities’ Economic Interest in a Proponent and/or Project, so that it can be considered at the time of Proposal Evaluation.</p>

Feedback / Common Themes	IESO Response
<p>Duty to Consult: should commence prior to project bids being submitted and contracts being awarded.</p>	<p>The IESO acknowledges the important role that meaningful engagement with Indigenous Communities may play in the successful planning, development and operation of Electricity resources. The IESO encourages engagement early and often with Indigenous Communities.</p> <p>The LT1 RFP includes requirements for Indigenous engagement prior to Proposal submission, including the development and publication of a Community and Indigenous Engagement Plan, and the holding of a public community meeting. Where the proposed project is located on Indigenous Lands, as defined in the LT1 RFP, a Proponent is also required to submit evidence of Indigenous support.</p> <p>Under the Duty to Consult Delegation/Assessment process introduced by the MOE, Proponents of applicable projects may request a Duty to Consult Assessment from the time that they are selected under the LT1 RFP. Where the Crown delegates any procedural aspects of the Duty to Consult to a Proponent, that Proponent’s Indigenous Consultation Record may include activities from prior to the announcement of successful Proponents.</p>

Inclusion of the MCIA in the LT1 RFP

Feedback submissions generally expressed support for including the Material Cost Index Adjustment (MCIA) in the LT1 RFP. Common themes from feedback on this topic are summarized below.

Feedback / Common Themes	IESO Response
<p>Flexibility: allow proponents to set the percentage of their bid price that is indexed.</p> <p>Over exposed to lithium: modify to align with the Raw Materials Indices provided by BESS suppliers.</p> <p>Tailor for Non-Storage Category: work with the gas-fired generation stakeholders to develop a Non-Storage specific MCIA, which may include consideration for fixed gas delivery and management costs.</p> <p>Better align with technology vendor agreements: the MCP metals index and CPI terms should be deleted, and the lithium index weighting should remain:</p> $MCIA_{LI-ONLY} = CIF \times (LiCPm / LiCPb) \times FCP$ <p>Include a "collar": the IESO risk is capped at a certain pre-determined threshold value, but the Proponent can elect to proceed with the project even if the indexing is capped at that value.</p>	<p>The MCIA for Storage Category and Non-Storage Category resources were developed with significant input from stakeholders throughout the E-LT1 RFP. Similar to the E-LT1 RFP, the IESO has not introduced an approach that enables Proponents to choose their own categories and weightings for the MCIA as this would introduce the potential for an uneven playing field and cause potential challenges from a Proposal evaluation perspective.</p> <p>The IESO will not be making further modifications to the MCIA mechanism at this time.</p>
<p>Off-ramps: consider off-ramps in the LT1 Contract if the MCIA results in significant changes in contract prices.</p>	<p>The IESO will not be introducing contractual off-ramps for supply chain or interconnection risks. These are risks that are best managed by Proponents through early development work and outreach to relevant third parties, including transmitters and local distribution companies (LDCs), that should underpin their Proposals.</p>

Changes to Proponent Group Award Limit

Feedback was mixed on increasing the Group Award Limit for Storage Category resources from 600 MW to 900 MW. Common themes of feedback on this topic are summarized below.

Do not support:

- Potential for increased risk if concentrated to a few developers:**
Increasing the Group Award Limit for the Storage Category from 600 MW to 900 MW increases the probability of concentrating development risk on fewer developers. More than half of the anticipated Storage Target Capacity could be awarded to a single developer where the Group Award Limit is increased to 900 MW. Spreading out the number of developers reduces the risk that the MW of capacity needed will show up.
- Potential to change the intent of Group Limit that may be counter to other regulatory system approaches:**
The group limit is designed for a diverse range of projects and lower risk of project attrition/IESO exposure, especially given suggested Ministry of Energy (MOE) approach that "Once LT1 Contracts are signed, contract counterparties would contact MOE to determine if their project has the potential to impact Aboriginal or treaty rights"

Support:

- Increase further:** consider increasing this amount if they end up procuring more than 1600 MW of storage to a lack of procurement in the non-storage category.
- Commensurate with larger target:**
Given that the procurement target in the LT1 RFP is larger than in the E-LT1 RFP, and given the potential for several larger projects to be proposed, support increasing the limit from 600 MW to 900 MW.

The IESO highlights that the Storage Category procurement target has increased from the E-LT1 RFP to the LT1 RFP. Therefore, increasing the Group Award Limit proportionally from 600 MW to 900 MW is not expected to have any material impact on the concentration of suppliers.

General Comments/Feedback

Feedback submissions included a significant amount of other general comments for consideration. These comments are outlined below.

Feedback	IESO Response
<p>Several submitters requested to remove the “same technology” requirement from eligible expansions.</p>	<p>The IESO will not be removing the “same technology” requirement from the definition of Eligible Expansions. This requirement was introduced to create a clear delineation between what constitutes a New Build Facility and what constitutes an Eligible Expansion of an Eligible Existing Facility in order to prevent circumvention of the RFQ.</p>
<p>Several submitters reiterated the request for more Market Rule protections to be included in the contract. It was suggested to remove the cap on Market Rule change protection and instead ensure there is a clear process for determining if Supplier's Economics have been harmed and what may be required to demonstrate the magnitude of the impact.</p>	<p>The IESO acknowledges feedback advocating for the preservation and early clarification of Market Rule Protection. As previously mentioned, the IESO has conducted extensive engagement on the E-LT1 Contract, which led to the final drafting of Article 1.6(c), which is also reflected in the draft LT1 Contract. The IESO does not intend to reopen design on this provision for the LT1 Contract.</p>
<p>Several submitters requested clarity on the Investment Tax Credit (ITC) funding being excluded from Section 2.16 - Additional Sources of Government Support. It was suggested that if the ITC is included in Section 2.16, many proponents may not see a benefit in pursuing the ITC at the detriment of Ontario customers.</p>	<p>As currently drafted, the Additional Sources of Government Funding provisions of the LT1 Contract (section 2.16) apply to direct government funding in the form of cash subsidies, grants or payments on account of capital costs for the development and construction of the Facility or based on the output or performance of the Facility. This would not be interpreted as including investment tax credits. This approach is consistent with the government direction for the E-LT1 RFP, that the IESO endeavour to recover 50% of any direct financial funding from government subsidies, grants or payments. The final approach for the LT1 Contract is subject to future government direction.</p>

Feedback	IESO Response
<p>Several submitters requested the IESO remove the Exclusivity of Contract Capacity to IESO in Section 2.12. It was recommended the IESO consider revenue sharing (e.g., 50/50) or reasonable granting of additional services with the contract capacity that may be able to serve both purposes (i.e. IESO-Administered Markets and additional markets and services).</p>	<p>Note that the exclusivity requirement under s. 2.12 of the LT1 Contract only applies to the Contract Capacity and the Supplier’s ability to meet the Must-Offer Obligation. This would not necessarily prevent participation in energy or ancillary services markets (unless it interfered with the ability to meet the Must-Offer Obligation).</p>
<p>Two stakeholders requested more information and transparency be provided on optimal connection locations.</p>	<p>The IESO will consider stakeholder suggestions and seek to improve upon Deliverability Testing process, including by providing more information ahead of time, for subsequent procurements</p>
<p>Two submitters suggested IESO provide a procurement roadmap that starts to integrate the many different areas and types where energy storage resources can offer value to a decarbonized Ontario electricity system including regional power system needs, transmission system optimization, and enhanced capabilities of expanded or re-powered existing facilities.</p>	<p>The IESO intends to begin discussions with stakeholders and communities on the LT2, MT2 and subsequent procurement opportunities in early 2024.</p>
<p>Two submitters recommended the IESO reinstate language that was removed before June 30 contract version which allowed a Supplier to relocate a Facility by up to 2km.</p>	<p>Unlike in the E-LT1 RFP, the LT1 RFP does not include any restrictions on moving the location of the Project between the deliverability test application and the Proposal, as long as the Connection Point remains consistent.</p>
<p>The IESO should include a mechanism to adjust contract pricing based on connection costs that were higher than anticipated. Consideration could be given to using a similar approach or test as that outlined in the force majeure.</p>	<p>The IESO has not introduced cost submissions that would result in a more complex evaluation process and the potential for fairness concerns. The IESO has included contractual provisions, such as the inclusion of the MCIA, to reduce the risk profile of Suppliers. In terms of interconnection costs and potential impact on timelines, the IESO believes that it is incumbent on and is reasonably possible for the Supplier to manage this risk and does not contemplate providing any further relief in the LT1 Contract.</p>

Feedback	IESO Response
<p>Proponents that receive a “Not Deliverable” result in the Deliverability Assessment should be allowed to bid these configurations into the LT1 RFP if they can provide information/support from the relevant Transmitter/LDC on what network upgrades would be required to enable the configuration.</p>	<p>The process for future RFPs may evolve such that customer paid upgrades could be considered, however given the timelines for the LT1 RFP, coupled with the fact that most of the limitations causing Not Deliverable results would require major system upgrades of high cost and complexity. The IESO is not able to consider this option for the LT1 RFP.</p>
<p>Supplier Event of Default should be assessed over three consecutive contract years rather than the proposed rolling 24 months.</p>	<p>Considering the importance of the Must-Offer Obligation, in response to stakeholder comments on the draft E-LT1 RFP, the IESO decided to keep the 24-month rolling average but extended the commencement of this provision until after the completion of the 3rd Contract Year (rather than after the 2nd Contract Year) (Section 10.1(k), Events of Default by the Supplier). The IESO intends to maintain this approach for the LT1 RFP.</p>
<p>Roundtrip Efficiency (RRE) in Exhibit R of Contract should be reduced from 0.75 to 0.70.</p>	<p>The IESO has taken feedback into consideration in previously reducing the round-trip efficiency from 0.8 to 0.75. The IESO will not further reduce this level, as Proponents should be able to maintain an average round-trip efficiency of at least 0.75 over a rolling 3-month average. The IESO wants to ensure that Proponents select efficient battery technologies and maintain these resources to meet the IESO’s system reliability needs.</p>
<p>Request for Notice of Change to be allowed to be submitted for feedback prior to bid submission.</p>	<p>The LT1 RFP requires that the Prescribed Form: Notice of Change be submitted as part of the Proposal, which are reviewed by the IESO following the Proposal Submission Deadline. However, Proponents will be able to ask the IESO questions during the Question and Comment Period or prior to the procurement launch.</p>

Feedback	IESO Response
<p>Suggest the IESO to consider offering a 20-year contract for Non-Storage projects if the Proponent commits to using a certain percentage of “renewable or low-carbon” fuel such as green hydrogen or renewable natural gas in combination with natural gas after 2040.</p>	<p>20-year contract Terms are available for Non-Storage Projects if they are not Natural Gas generators. The Term of the Contract is based on the technology of the Facility at the time of Proposal Submission.</p>
<p>Does not support publishing winning bid prices, as these prices are the outcome of years of proprietary, highly sensitive commercial refinement by proponents. Aggregated data or anonymous data reflecting all winning bids is more than sufficient to provide the level of insight the industry, stakeholders and ratepayers need to provide transparency, promote fairness, and facilitate effective market oversight</p>	<p>The IESO remains committed to transparency in its procurement and contracting activities, including the E-LT1 and LT1 RFPs. The IESO has obtained support from the majority of Proponents who participated in the E-LT1 RFP to establish price transparency by publishing the contract prices for Selected Proponents.</p>
<p>Delete Section 2.15(b) of the LT1 Contract and replace it with similar protections as those provided to OPG in Subsections 2.7(b) and (c) of the December 8, 2021 Lennox Energy Supply Agreement (the “LESA”), but amended to conform with the LT1 Contract settlement mechanism to ensure that Supplier’s economics are protected.</p>	<p>The E-LT1 Contract included specific provisions, extensively stakeholdered and informed by government directive, outlining Suppliers’ recourse in the event of future laws limiting GHG emissions (Article 2.15 “GHG Abatement Plans”) and certain other changes in law (Article 13 “Discriminatory Action”). The IESO intends to retain these provisions under the LT1 Contract.</p>
<p>The IESO should expressly incorporate the following language from its LT1 FAQ responses into the LT1 Contract: “For greater certainty, if a Supplier must take a Sole Annual Planned Maintenance month or a Split Annual Planned Maintenance month outside of the four designated months (April, May, October or November) due to System Operator direction, they will not be financially impacted under the LT1 Contract”.</p>	<p>The definitions of “Sole Annual Planned Maintenance Month” and “Split Annual Planned Maintenance Month” in Sections 15.3(b)(i)(A) & (B), respectively, are clear that they can occur outside of the designated calendar months of April, May, October or November where the IESO has specifically directed or requested that in accordance with the IESO Market Rules.</p>

Feedback	IESO Response
<p>Revise Section 13.1(c)(ii)(B) of the LT1 Contract to provide additional clarity to the carve out of what is not considered a Discriminatory Action.</p>	<p>The language in Section 13.1(c)(ii)(B) is already as specific as it reasonably can be. This language has remained consistent in IESO contract forms for many years, across multiple procurements and bilateral contract negotiations, which have resulted in successfully financed projects. If there is a specific proposed provincial legislation that is causing uncertainty with respect to this subsection, the IESO would encourage proponents to consult legal counsel or consider submitting a targeted question with respect to the applicable provincial legislative proposal or development.</p>
<p>One submitter recommended the IESO establish a new Mandatory Criteria under LT1 regarding battery energy storage system (BESS) equipment, whereas Proponents are required to provide a letter of support from a BESS vendor confirming that the BESS vendor will make available the necessary technical, financial, and human resources required for the project engineering, BESS equipment, and construction.</p>	<p>The IESO will not be introducing new Mandatory Criteria categories at this late stage of the LT1 RFP design process. Proponents are responsible for making the necessary investments to successfully develop, own, operate and maintain a New Build or an Eligible Expansion that provides capacity services to meet system reliability needs under the LT1 RFP and Contract.</p>
<p>One submitter sought clarity on whether the IESO will provide certain codes, standards or regulations in respect to the design, siting, construction and operation of BESS projects.</p>	<p>The IESO will not be commenting on codes, standards or regulations in respect to the design, construction, siting or operation of BESS projects. The onus is on the Proponent to ensure all codes, standards and regulations are adhered to as part of their project development work. Proponents are encouraged to liaise with relevant third parties, such as municipalities, fire departments and transmitters to understand any siting constraints that may be applicable.</p>

Feedback	IESO Response
<p>One submitter flagged that the definition of “adjacent” has been problematic with respect to the requirements for notice of public meeting, and suggested that “surrounding” or within a 2 km radius could be the updated requirement. This stakeholder also cautioned that 15-days notice is a challenge for municipalities where newsletters/bulletins to residents are issued on a monthly basis.</p>	<p>The use of “adjacent” was specifically chosen in lieu of a radius-based rule, which in most cases would be harder to confirm in the context of Project Sites that are not uniform areas.</p> <p>The 15-day advance notice requirement is simply intended as a minimum. If it is more administratively efficient or convenient to deliver notices to local property owners more than 15 days in advance of the public community meeting, that can also meet the requirements of Section 2.1(f) of the LT1 RFP.</p>