Feedback Form

Long-Term RFP – August 17, 2023

Feedback Provided by:

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Following the August 17th public webinar on the Long-Term RFP (LT1 RFP), the Independent Electricity System Operator (IESO) is seeking feedback from participants on the changes to the rated criteria proposed in the meeting.

The referenced presentation can be found on the Long-Term RFP webpage.

Please provide feedback by September 1, 2023 to engagement@ieso.ca.

Please use subject header: *Long-Term RFP*. To promote transparency, this feedback will be posted on the <u>Long-Term RFP webpage</u> 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.



Changes to Rated Criteria: Indigenous Community Participation

Торіс	Feedback
Are Proponents supportive of the revised Rated Criteria approach as laid out on slide 20 with respect to Indigenous Community Participation? This includes the introduction of more granularity to the economic interest segments, as well as an increase overall to the total points available for Indigenous Community Participation.	Generally, we are supportive of the proposed changes including those that both enable and ultimately lead to greater Indigenous equity and participation in energy infrastructure projects. We recommend further consultation with Indigenous partners across Ontario as well as industry to ensure stated objectives of Indigenous equity and "local" participation are effectively enabled by the proposed changes. It is not clear whether these changes will substantially lead to the intended outcomes and objectives, so much as identify they are important. For example, recognizing the IESO's deliverability test has outlined preferred areas of the province for development (and areas where not to develop), it is important to acknowledge the inherently uneven playing field that may create for Indigenous communities that may want to participate in a project but are not deemed "local". Furthermore, there is likely complexity associated with multiple Indigenous partners in one project if for example one is "local" and one is not.

Changes to Rated Criteria: Local Governing Body Support

Торіс	Feedback
Are Proponents supportive of the revised Rated Criteria approach as laid out on slide 21 with respect to Local Governing Body Support? This includes increasing the Rated Criteria points for Local Governing Body Support to 4, as well as changing the evaluation criteria weighting in the formula in section 4.4(d)(iii) from 0.3 to 0.2.	

Changes to Indigenous Consultation (Duty to Consult)

Торіс	Feedback
Are Proponents supportive of the new Development and Construction Covenant added to the draft LT1 Contract (s2.2e), as well as process outlined in the Ministry of Energy's draft Duty to Consult Delegation Letter template?	

Other or General Comments/Feedback:

- Ineligibility of Integrated Hybrid Expansions: Hybrid resources that utilize the interconnection of an <u>existing renewable generator</u> (i.e., not yielding a "net increase in capacity") continue to be <u>ineligible</u> in the IESO's long term procurements, despite significant ratepayer benefits relative to new-build standalone storage including: faster in-service timelines, lower-cost energy and capacity, increased non-emitting electricity production, etc. We have provided multiple submissions through E-LT1, LT1 and via the Hybrid Integration Project on this subject.
- **Enabling Non-Wires Alternatives:** Previous submissions have indicated that current contract language regarding IESO's exclusive use of a facility may prevent non-wires alternatives (i.e., local utility participation for reliability, congestion, etc.), which inherently are intended to deliver greatest value for ratepayers and an active area of interest by the OEB and other agencies (i.e., FEI working group).
- **Market Renewal Uncertainty:** The potential impacts and uncertainty surrounding market renewal cannot be understated as a risk for large-scale energy storage projects. We believe there remains significant uncertainty facing both standalone storage and hybrid resources with MRP.
- Non-Storage Capacity Reallocation to Storage: We support Energy Storage Canada's request for consideration in the LT1 process that if the "non storage capacity" category is unable to meet its target that the gap be filled by the "storage capacity" category. As was seen in the Expedited Process, there is a possibility that the "non storage capacity" category will not be fully prescribed whereas the "storage capacity" category will have more proposals that available MWs. Therefore, to help meet Ontario's capacity needs this decade and further to support Ontario's decarbonization efforts, ESC has recommended that IESO be willing to consider going beyond the "storage capacity" target outlined in the August 17th webinar.