

Feedback Form

Resource Adequacy – August 26, 2021

Feedback Provided by:

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Organization: APPrO

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Date: September 18, 2021

To promote transparency, feedback submitted will be posted on the Resource Adequacy webpage unless otherwise requested by the sender.

Following the August 26, 2021 Resource Adequacy webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the following discussed items. Background information related to these feedback requests can be found in the presentation, which can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by September 17, 2021. If you wish to provide confidential feedback, please mark the document "Confidential". Otherwise, to promote transparency, feedback that is not marked "Confidential" will be posted on the engagement webpage.

Capacity Auction – Review of Performance Obligations and Assessment Framework Recommendations

Topic	Feedback
What questions or feedback do you have on Proposed Change #1 – Test to Capability for All Resources	Click or tap here to enter text.
What questions or feedback do you have on Proposed Change #2 – Changes to Thresholds	Click or tap here to enter text.
What questions or feedback do you have on Proposed Change #3 – Future De-Rates	Click or tap here to enter text.
What questions or feedback do you have on Proposed Change #4 – Common Notification	Click or tap here to enter text.
What questions or feedback do you have on Proposed Change #5 – Incenting Performance at the Right Time	Click or tap here to enter text.
What questions or feedback do you have on Proposed Change #6 – Availability Assessment True-Up	Click or tap here to enter text.
General comments and feedback	Click or tap here to enter text.

Medium-Term RFP

Topic	Feedback
<p>What questions or feedback do you have on the Medium-Term RFP proposed design consideration on Contractual Considerations</p>	<p>Generally, APPrO supports competitive, RFP-type processes that result in a contract both for existing assets coming off contract and the addition of new long-term resources. APPrO has consistently supported the need for longer-term contracts than the IESO seems prepared to consider. This is based on our assessment of capital market realities, which risks can be most efficiently and competitively managed by the investor, and the view that the pricing and risk allocation supporting investment decisions must be acceptable to both the buyer and seller if they are to be sustainable over the long run. Based on these considerations, we believe that the proposed three-year term for the mid-term RFP will be insufficient. We are similarly skeptical that the so-called “cadenced RFP process” will serve to increase investor comfort or reduce the risk premium to be considered in investment analysis. On the contrary, given Ontario’s history, its current market structure, and its anticipated future market structure, longer-term contracts (at least 5-10 years for the Medium-Term RFP and 20+ for longer term) remain necessary to ensure existing resources can continue to provide value and attract competitive investment and low-cost capital to the province’s electricity system. A short-term view of procurement raises the possibility of the failure of an RFP to acquire sufficient resources. In turn, this would likely lead to more sole source procurements and bilaterally negotiated contracts which, ironically, will likely be long term in nature.</p>
<p>What questions or feedback do you have on the Medium-Term RFP proposed design consideration on Resource Eligibility</p>	<p>Click or tap here to enter text.</p>
<p>What questions or feedback do you have on the Medium-Term RFP proposed design consideration on Proposal Evaluation</p>	<p>Click or tap here to enter text.</p>
<p>What questions or feedback do you have on the Medium-Term RFP proposed design consideration on Contract Expiry and Bridging</p>	<p>Click or tap here to enter text.</p>

Topic	Feedback
What questions or feedback do you have on the Medium-Term RFP proposed Timelines and Milestones	Click or tap here to enter text.
What questions or feedback do you have on the Medium-Term RFP UCAP approach outlined in the presentation materials	Click or tap here to enter text.
What areas of the draft RFP and Contract do you want to see more details on in the September engagement session, ahead of the issuance of draft documents?	Click or tap here to enter text.
Do you have a resource that is eligible, or may be eligible, to participate? If so, please provide feedback specific to your resource based on the proposed design considerations. Please indicate if you would like to meet with the IESO to discuss eligibility or any other aspects of the Medium-Term RFP.	Click or tap here to enter text.
General comments and feedback	Click or tap here to enter text.

General Comments/Feedback

Click or tap here to enter text.