

# Executive Summary

April 16, 2025

## Resource Adequacy - Request for Information Findings

In September 2024, the Independent Electricity System Operator (IESO) launched the Resource Adequacy Request for Information (RFI) to gather insights from facility owners and developers regarding the future of existing resources and opportunities for new development. The RFI received strong participation, with submissions representing over 1,500 facilities and developers across Ontario.

While the majority of the responses were for facilities that are sized less than 1 megawatt (< 1 MW), feedback from facilities greater than or equal to 1 megawatt ( $\geq 1$  MW) and from proponents interested in developing new facilities also offered valuable insights.

The following are some key insights obtained from the RFI:

- More than 70% of respondents indicated that they've had to carry out minor repairs to keep their systems running. Major repairs were more common among < 1 MW facilities than  $\geq 1$  MW facilities.
- Consequentially, a larger share of < 1 MW facilities felt that their maintenance costs had risen sharply over the past five years, as compared to  $\geq 1$  MW facilities.
- < 1 MW facilities also highlighted that technologies such as solar panels and inverters that were used at the time their facilities were developed, did not perform as expected and the facilities did not deliver expected financial returns.
- When asked about whether they intend to continue operating their facilities beyond the expiry of their current contract with the IESO, a majority responded in the affirmative but added that their decision on whether to invest in their facility would depend on future contracting opportunities from the IESO.
- If such contracting opportunities were to be made available, respondents are willing to invest in minor repairs, replacement of major components, and on expanding their system capacity.
- Furthermore, there is strong interest among facilities to add energy storage, with more than 40% facilities indicating that they are actively exploring this option.

- However, facilities are concerned that there isn't sufficient capacity available on the transmission and distribution networks to accommodate their increased capacity. Furthermore, there is uncertainty on whether expansions or adding storage to the facility would result in additional obligations under environmental regulations.

The IESO has reviewed all RFI responses and is using this feedback to inform the design of future procurement programs and engagement activities.

In particular, the IESO recognizes that small, distribution-connected, non-market participant facilities face unique challenges. In response, the IESO is designing the Local Generation Program, which will create new participation pathways for resources between 100 kW and 10 MW that are not Market Participants.

Additional considerations are underway for supporting re-powering and refurbishment of existing facilities through both this program and future competitive procurements.

We thank all participants for their contributions. Your feedback is key to supporting a reliable, cost-effective, and efficient electricity system in Ontario.

To continue shaping future procurement design and ensure your voice is heard:

- Visit the [Resource Adequacy RFI webpage](#) for ongoing updates.
- Subscribe to the IESO Weekly [Bulletin](#) to receive notices on upcoming RFIs, engagement opportunities, and new program details.