

Feedback Form

Transmitter Selection Framework – January 22, 2025

Feedback Provided by:

Name: Frank D’Andrea

Title: VP and Executive Lead, Enterprise Strategy and Energy Transition

Organization: Hydro One Networks Inc.

Email: [Click or tap here to enter text.](#)

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Following the January 22, 2025 Transmitter Selection Framework engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders and communities on the items discussed during the webinar. The webinar presentation and recording can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by February 12, 2025. If you wish to provide confidential feedback, please submit as a separate document, marked “Confidential”. Otherwise, to promote transparency, feedback that is not marked “Confidential” will be posted on the engagement webpage.

Qualified Transmitter Registry – Draft Design and Application Guideline

Topic	Feedback
<p>In your view, does the proposed "Qualified Transmitter Registry" sufficiently:</p>	
<p>1. Capture all of the necessary QTR design categories and proposed evaluation criteria</p>	<p>Hydro One recommends further strengthening the outlined criteria. The below is a series of recommendations for the IESO to consider (a detailed rationale for each criterion can be found in the 'general comments/ feedback' section at the end of this document):</p> <p><u>Project Eligibility:</u></p> <p>This procurement process should be applicable for projects planned 10 or more years into the future.</p> <p><u>A Proven Track Record with Indigenous Communities:</u></p> <p>This procurement process incorporates evidence of successful Indigenous consultations and/or partnerships on transmission projects in the past 15 years.</p> <p><u>Ensuring an Appropriate Workforce:</u></p> <p>More team members are added to appropriately support the management and technical operation of the proposed project.</p> <p><u>Financial Requirements:</u></p> <p>We recommend the IESO consider stronger financial net worth requirements for eligibility.</p>
<p>2. Provide opportunities for qualified transmitters and developers to participate</p>	<p>Hydro One has no comments on the opportunities for qualified transmitters and developers to participate in the QTR at this time.</p>

Topic	Feedback
<p>3. Promote competition</p>	<p>It is unclear to Hydro One that the criteria in the QTR, or the overall TSF process, will truly promote competition in designating transmitters in Ontario. This is why we have suggested that the criteria be further strengthened and aligned with the goals of successful and timely projects.</p> <p>Proponents should be required to demonstrate established competitive processes in their project delivery, procurement and supply chain practices for large transmission projects, as well as a commitment to Indigenous procurement and partnerships.</p>
<p>4. Define project experience, financial, technical, and O&M criteria clearly</p>	<p>While the IESO does an overall good job of defining QTR criteria, Hydro One has concerns with the proposed project eligibility, experience, financial, technical and O&M criteria.</p> <p>The presentation is rightly focused on team members of the proponent (Slides 27-29) as these are the individuals involved in the projects that drive success. Hydro One strongly recommends this include assurances that the team members identified in the QTR process are ultimately the ones engaged in the project or replaced by equivalent personnel.</p> <p>When it comes to critical, essential infrastructure such as transmission, the IESO should take steps to ensure that advertised team members or their confirmed and evaluated equivalents are the ones that ultimately perform the functions required of the QTR.</p>
<p>5. Meet transmitter needs and encourage broader participation with the open submission window</p>	<p>Hydro One has no comments on if the QTR sufficiently meets transmitter needs and encourages broader participation with the open submission window.</p>

General Comments/Feedback

As referenced above, Hydro One recommends ensuring the implementation of strong eligibility criteria to ensure projects are built on time, on budget and with strong Indigenous and community involvement. The section below expands on the criteria we introduce in the chart above:

1. Project Eligibility

Building transmission in Ontario is typically a lengthy process requiring significant technical expertise. Larger projects such as those under discussion here can take 6-8 years from initialization through commissioning to planning, permitting and construction. Adding another layer to the process may add years on to this schedule. IESO qualification plus procurement processes have historically taken 2 years themselves even with the procurement precedent in place. We suspect that the design of a competitive transmission selection process, especially in the early years, could take even longer.

We therefore recommend that this process be applicable only for projects planned 10 years in the future. Anything short of this, risks delaying critical infrastructure project timelines essential for system buildout under *Ontario's Affordable Energy Future: The Pressing Case for More Power*. Beyond this vision paper, in November 2024, the Minister of Energy and Electrification stated that he asked Ontario Power Generation (OPG) to begin discussions with Indigenous, community and municipal leaders on its existing sites in Port Hope, Haldimand County and St. Clair Township to determine community support for all types of new energy generation, including nuclear, to meet Ontario's soaring demand for electricity. These generation assets will require transmission.

2. A Proven Track Record with Indigenous Partners:

Hydro One strongly suggests that the IESO incorporate evidence of successful Indigenous consultations and/or partnerships on transmission projects in the past 15 years as part of the Project Development Experience requirements. Transmission projects being linear in nature, typically require engagement and consultation with many communities along with the assessment of environmental features that can be extremely varied over the geography traversed. Aligning everyone's needs and minimizing impact can materially change project plans. This experience should be mandatory in the evaluation criteria for QTR Applicants.

3. Ensuring an Appropriate Workforce:

Hydro One also suggests adding in more team members to appropriately support the management and technical operation of the proposed project in the intermediate and longer-term. Bigger projects require more personnel to ensure successful delivery, the head count should reflect the appropriate amount of talent needed to operationalize successful delivery on projects.

4. Financial Requirements:

Lastly, Hydro One suggests increasing the financial capability of the project. This requirement will ensure candidates have the financial capacity to complete the project on time with desired outcomes for ratepayers.

Slide 32 states that the minimum net worth of a proponent must be \$200 million, with the minimum project size for the TSF being \$100 million. Taking on a project that would involve half the net worth of the entire company could create significant risk for Ontario ratepayers. An increased margin would provide the necessary financial protection and coverage for Ontario ratepayers.

Hydro One believes that these changes will be beneficial to the process, enabling the successful completion of projects, without there being any financial or workforce related issues or hurdles. These requirements add necessary checks and balances to ensure projects are set up for completion, without adding in unnecessary red tape.

We would be pleased to discuss any of these recommendations and appreciate the opportunity to provide feedback into this process.