



**JUNE 25, 2025**

# Transmitter Selection Framework (TSF): Final Registry Rules, General Updates, and Additional TSF-Design Considerations

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# Territory Acknowledgement

The IESO acknowledges the land we are delivering today's webinar from is the traditional territory of many nations including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. We also acknowledge that Toronto is covered by Treaty 13 with the Mississaugas of the Credit First Nation.

As we have attendees from across Ontario, the IESO would also like to acknowledge all of the traditional territories across the province, which includes those of the Algonquin, Anishnawbe, Cree, Oji-Cree, Huron-Wendat, Haudenosaunee and Métis peoples.

# Purpose

The purpose of this engagement is to:

- Provide a TSF status update
- Summarize and respond to the feedback received on the proposed Transmitter Selection Framework Registry (TSF-R) rules
- Present key elements of the final TSF-R program rules, along with the next steps and timeline for the TSF-R launch
- Outline the TSF engagement plan for the remainder of 2025
- Seek input on additional TSF design features and identify priority design and engagement topics for remainder of the year

# Agenda

1. TSF Status Update and Recap
2. Summary of Feedback from April Engagement Session
3. TSF-R Final Program Rules and Timeline for Launch
4. Engagement and Design Priorities for Remainder of 2025
5. TSF RFP Design Features – for Feedback/Discussion
6. Discussion and Next Steps



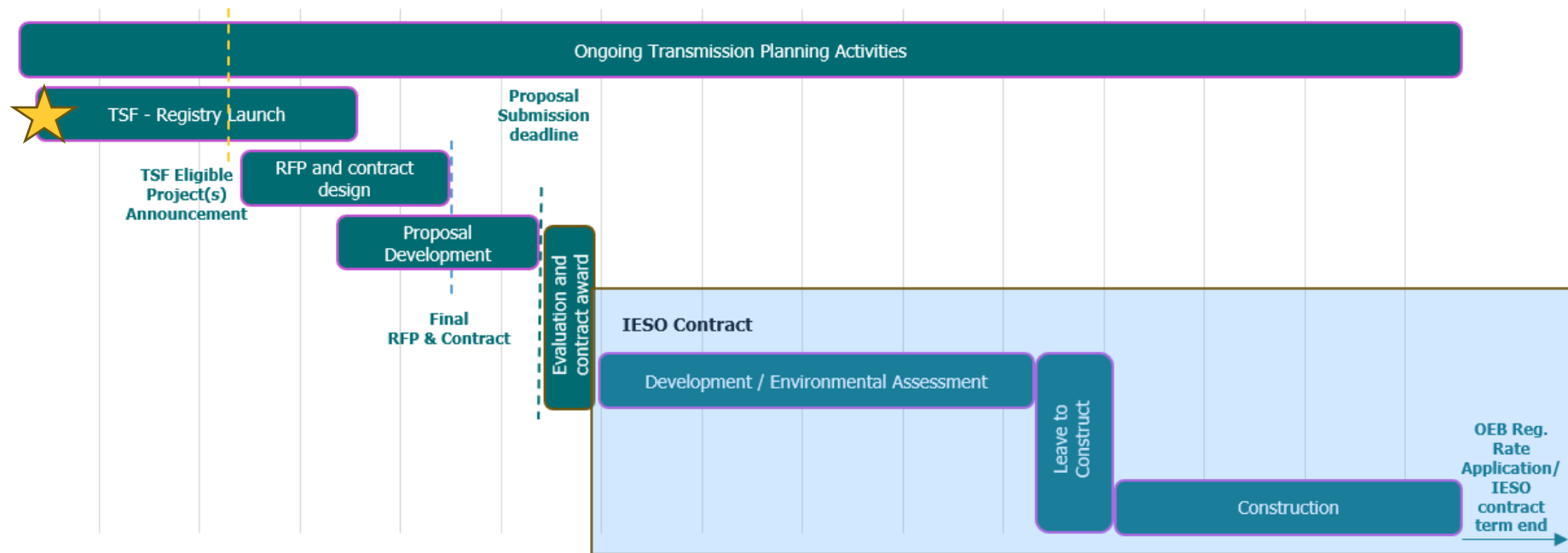
# TSF Status Update and Recap

# Recap: Transmitter Selection Framework Objectives

- The main objectives of the Transmitter Selection Framework (TSF) will be to:
  - Leverage competition and new entrants to **deliver better value for ratepayers;**
  - Attract new investment in Ontario, in a manner that **supports the IESO's Resource Adequacy Framework and broader economic growth;**
  - **Provide transparency** around Transmitter Selection in Ontario;
  - Enable Indigenous participation and **contribute to ongoing reconciliation efforts;** and
  - **Foster innovation** for transmission solutions over the long run.

The TSF will only be appropriate for certain new transmission projects, and the IESO has identified proposed project-eligibility considerations which will help guide TSF project-identification.

# TSF: Where We Are



*\*For illustrative purposes only*



# TSF Status Update – Integrated Energy Plan

- The recently released Integrated Energy Plan (IEP) highlighted the need for a significant amount of new build transmission in the province, signalling that there is also a clear opportunity to introduce competition where timelines allow.
- Further to the IEP the IESO was directed to launch the TSF-Registry (TSF-R) by August 15<sup>th</sup>, ensuring a pool of experienced, capable transmitters is in place so that competitions can proceed efficiently as projects are identified for TSF procurement.
- Beyond the TSF-R, discussions with Building Ontario Fund and Canada Infrastructure Bank remain ongoing and productive; and will continue to focus on mechanisms to facilitate Indigenous participation and loans to successful proponents.
- The IESO remains committed to continuing to develop the TSF through the balance of 2025. As stated in the IEP, once TSF project(s) have been identified, the government intends to, subject to approvals, issue a directive to formally launch competitive procurement, supported by any necessary legislative or regulatory changes.

## Improving Regulatory Certainty– Recommendation to Eliminate LTC Requirement

- IESO and OEB have collaborated to assess impacts of the TSF on related regulatory processes, including the Leave to Construct (LTC) requirement under the OEB Act.
- Obtaining LTC is a requirement for most new transmission, where the OEB determines whether a project is in the public interest by evaluating its impact on price, quality, and reliability of service.
- Through discussions between IESO and OEB, it was noted that the TSF's design addresses the public interest considerations that the LTC process is intended to evaluate. Furthermore, it was acknowledged that TSF projects would be those authorized by Directive, and their need will already be well established.
- The IESO and OEB have written to the Ministry of Energy and Mines that TSF-contracted transmission projects be exempt from LTC under O. Reg. 161/99 to improve regulatory certainty and save time and cost. This would also be in line with the policy priorities outlined in the Integrated Energy Plan – *Energy for Generations*.

# Identifying TSF Transmission Projects

- Several transmission planning studies are being carried out by the IESO at present, with plans culminating in late 2025 and early 2026
- IESO recommendations for transmission system expansions will identify if transmission projects are suitable for the TSF

Key Transmission Plans Underway	Timeline for Plan Recommendations	Upcoming Engagements
• South and Central Bulk Study	Late 2025	Sept/Oct 2025
• North of Sudbury Bulk Study	Early 2026	Sept/Oct 2025
• Eastern Ontario Bulk Study	Early 2026	Sept/Oct 2025



# Summary of Feedback from April TSF Engagement Session

## Feedback: General Themes

- Broad support for proposed updates to the TSF-R program rules
- Endorsement of the new stream recognizing the experience of existing Ontario transmitters
- Supportive of measures to promote Indigenous participation
- Requests for greater clarity on:
  - Indigenous exclusivity arrangements
  - How Indigenous project experience will be evaluated and recognized
  - Credit rating requirements, especially for smaller or privately held firms
- Suggestions for Improvement:
  - Broaden eligibility to include experience from affiliate and parent companies
  - Accept partial project experience via consortium participation or detailed implementation plans

# Feedback: IESO Response

The IESO has posted a [feedback-response document](#) addressing stakeholder input from the January and April engagement sessions.

Themes	Response
<b>Balancing Participation and Capability</b>	The Registry is designed to balance open competition with the need to ensure transmitters demonstrate appropriate technical and operational capabilities.
<b>Recognition of Affiliate Experience</b>	Experience from affiliates will be accepted, with safeguards in place to ensure future changes to the affiliate-registrant relationship are transparently disclosed.
<b>Indigenous Exclusivity</b>	Prohibited exclusivity arrangements will apply to the Registrant (transmitter), its affiliates, and its parent company.
<b>Indigenous Partnership Experience</b>	Prior Indigenous partnership experience is encouraged and valued, but will be assessed during the RFP stage, not during initial registration.
<b>Credit Rating Not Mandatory</b>	A credit rating is not mandatory for Registry registration if one has not already been issued.



# TSF Registry Final Program Rules

## Recap: TSF Registry

- In response to governmental direction issued further to the IEP, the IESO will launch the TSF Registry by August 15, 2025.
- The TSF Registry:
  - Is the first step for transmitters to participate in future IESO procurements for transmission projects under the TSF.
  - Will assess and verify that applicants meet the minimum eligibility requirements, including organizational experience and financial capacity.
  - Is expected to reduce procurement timelines by over six (6) months, compared to issuing a separate Request for Qualifications (RFQ) for each transmission procurement.



# Key Updates to TSF Registry Program Rules

- A dedicated [TSF webpage](#) will host key documents, including the final program rules, guidance materials, and the application package.
- A new subscription list has also been launched to provide stakeholders with ongoing TSF updates.
- There will be no fee for the initial TSF Registry registration. The IESO intends to introduce a registration fee in the future, subject to approval by the Ontario Energy Board (OEB).
- The program rules now permit applicants to demonstrate organizational experience through a designated affiliate. However, only one supporting entity may be identified per registration.
  - “Affiliate” means any Person that (i) Controls a Party; (ii) is Controlled by a Party; or (iii) is Controlled by the same Person that Controls a Party.

## TSF Registry – Workspace

- The IESO will be using Workspaces, a modern and secure file management platform, to facilitate the submission of application packages.
- Access the Workspace from [workspaces.ieso.ca](https://workspaces.ieso.ca)
- Workspace sign up process:
  - Send an Email to: [TSF@ieso.ca](mailto:TSF@ieso.ca)
  - Subject: TSF Registry: Workspace Access
  - Company, Name, and Email address for primary and secondary (if required) users requesting access
  - Only permission for the company folder will be granted. Users will be able to read, write, upload, and delete files in this folder.
- IESO will issue usernames and passwords to each user, allowing applicants to upload their application package to Workspaces.

# TSF Registry – Workspace

>


Home

Folders



Download


Upload


Star

Connecting Today.  
Powering Tomorrow.


Search files, folders and workspaces

1

**Workspaces**



Name ↑

 TSF Registry May 28 2025 09:30	⋮

**Workspaces info**

All workspaces	2
Administrator workspaces	1
Recycle bin	0

All files stored in Workspaces are encrypted.

# TSF Registry – Workspace

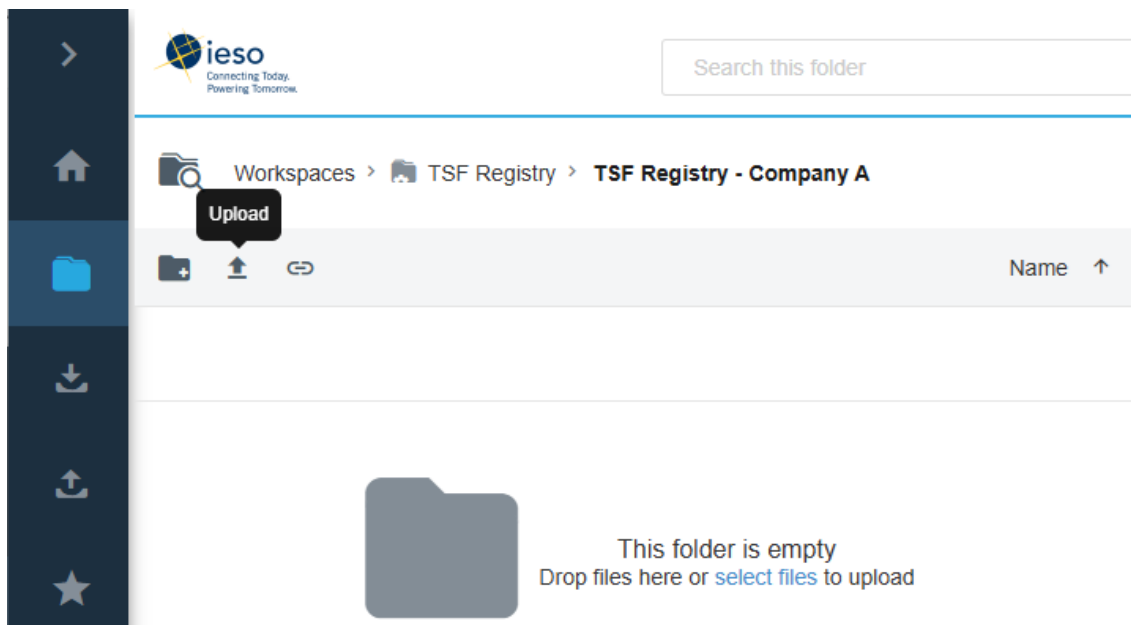
Search this workspace

Workspaces > **TSF Registry** 1-1 of 1 

1

<input type="checkbox"/>		Name	Workspace info	Permissions
<input type="checkbox"/>		TSF Registry - Company A	<b>TSF Registry</b>	

# TSF Registry – Workspace



# TSF Registry – Workspace

The screenshot displays the 'TSF Registry - Company A' workspace in the IESO system. The main area shows an empty folder with the message: 'This folder is empty. Drop files here or [select files](#) to upload.' A sidebar on the left contains navigation icons. A search bar at the top right says 'Search this folder'. An upload dialog is open on the right, titled 'Uploading to 'TSF Registry/TSF Registry - Company A''. It includes a checkbox for 'Notify group members and users', a text box for a message, and a 'Set permissions' link. Below this, a file 'TSF Registry Submission Package.pdf' (12.9 KB) is shown with a progress bar. At the bottom of the dialog, the 'Add files' button is circled in red, and the 'Next' button is circled in green. A red plus icon is visible at the bottom center of the workspace area.

# TSF Registry – Workspace

The screenshot displays the IESO TSF Registry Workspace interface. On the left is a dark sidebar with navigation icons. The main header includes the IESO logo, a search bar labeled "Search this folder", and user/notification icons. The breadcrumb path is "Workspaces > TSF Registry > TSF Registry - Company A". The file list shows "TSF Registry Submission Package.pdf" (12.9 KB) uploaded at 12:05. A right-hand pane titled "TSF Registry - Company A" provides folder details: permissions (view, create, manage roles, upload, track, update, delete), size (12.9 KB), 1 file, and modification time (Today at 11:52). An overlay notification states "Uploaded to 'TSF Registry/TSF Registry - Company A'" and "File was successfully uploaded" for "TSF Registry Submission Package.pdf", with a progress bar at 100% and a "Completed" status. A "Go to location" link and a "Done" button are also present. A red plus icon is visible at the bottom center of the file list area.

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Search this folder

Workspaces > TSF Registry > TSF Registry - Company A

1-1 of 1

	Name	Folder info	Permissions
<input type="checkbox"/>	<b>TSF Registry Submission Package.pdf</b> Today at 12:05   12.9 KB	<b>TSF Registry - Company A</b>  In this folder I can: View files, create folders, manage roles and permissions, upload files, track file activity, update files, delete all files  Size: 12.9 KB Number of files: 1 Modified: Today at 11:52	

Uploaded to 'TSF Registry/TSF Registry - Company A'

File was successfully uploaded

TSF Registry Submission Package.pdf ✓Completed

[Go to location](#)

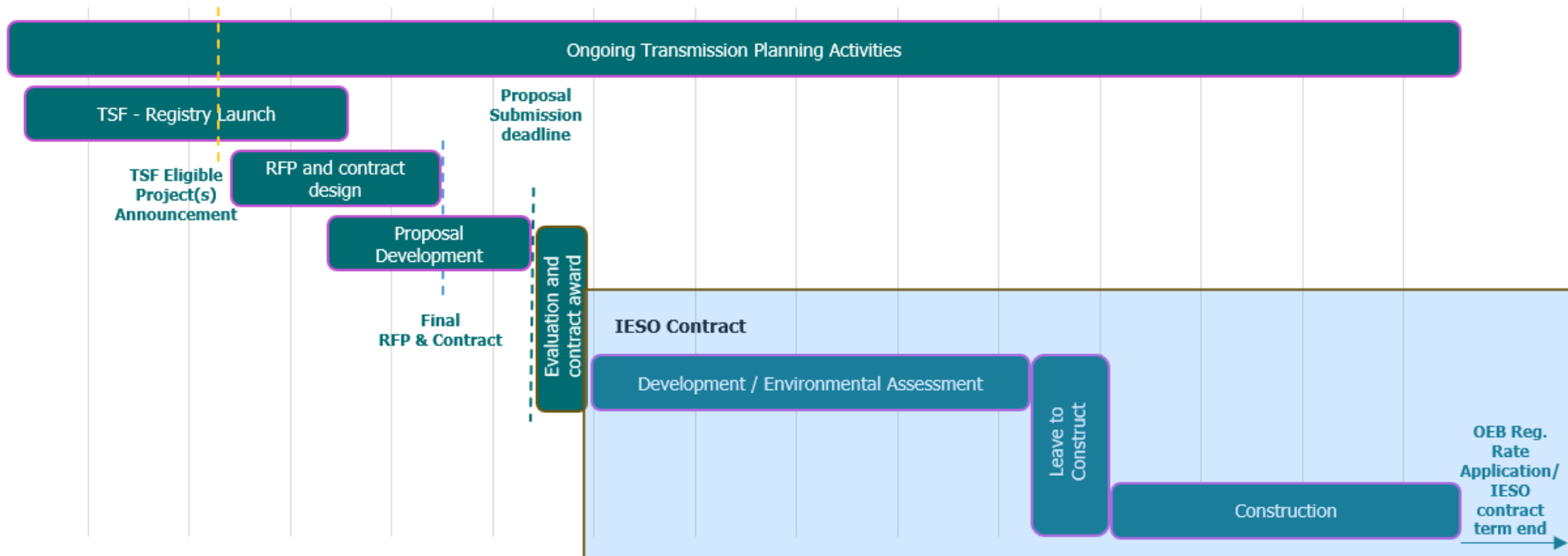
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# TSF Design and Engagement Priorities for Remainder of Year

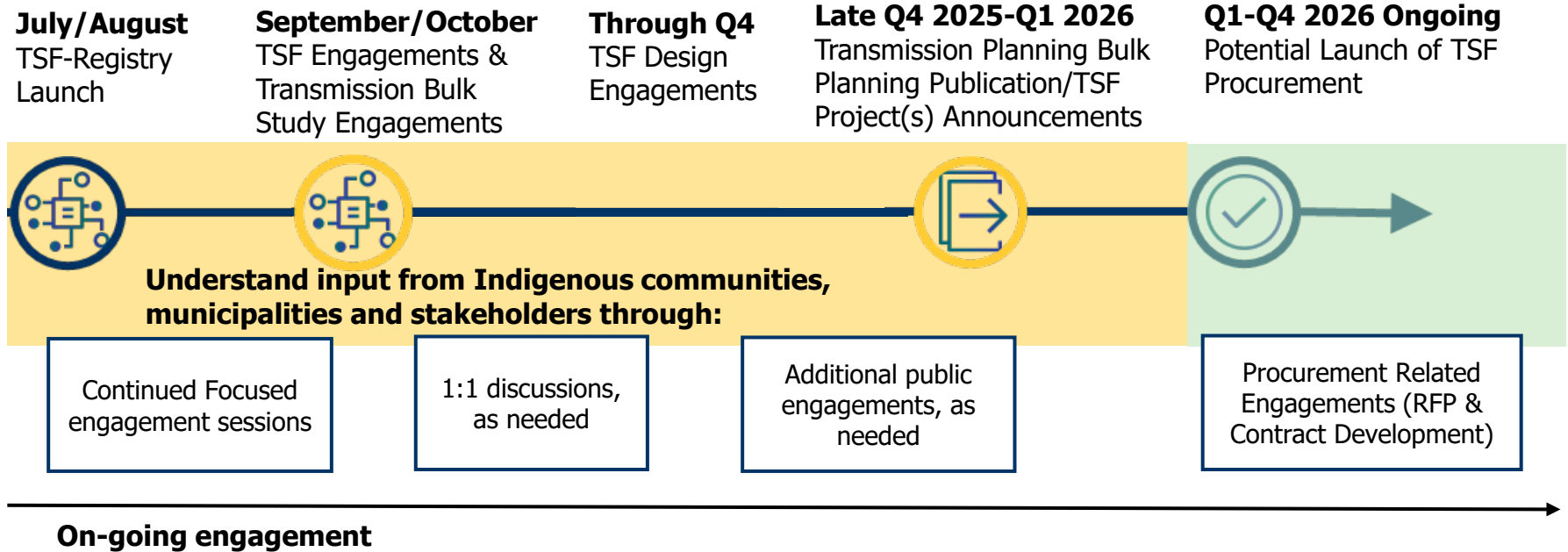


# Recap: TSF High-Level Process Overview



*\*For illustrative purposes only*

# TSF – Design Roadmap and Engagement Approach



# TSF Design Priorities – 2025 Focus

## Input on Bid Structure

- Today - Seeking feedback on RFP and form of bid concepts

## RFP Design

- Ongoing engagement on key design elements, including defining evaluation criteria, bid parameters, cost caps, etc.

## Contract Development

- Begin work on conceptual term sheet for COD+ contract, including key terms and interplay between IEPP, RFP and contract

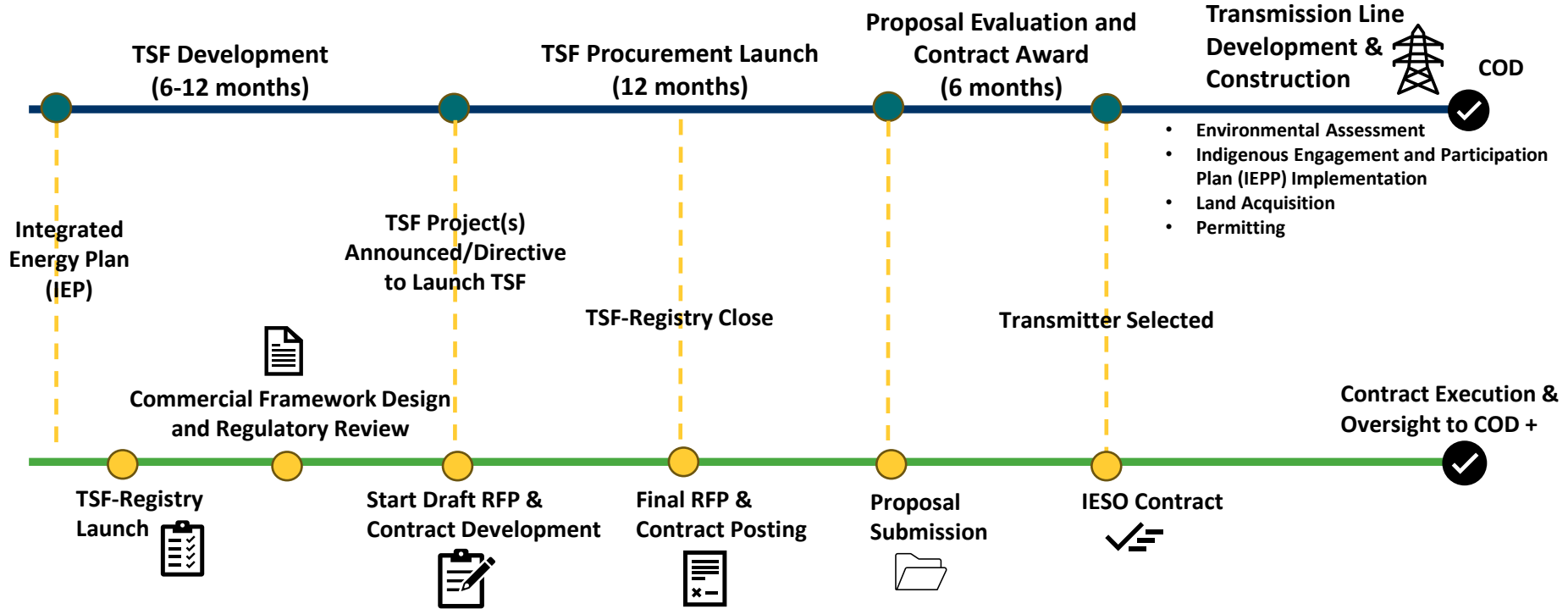
## Project Identification Timeline

- TSF-Eligible project(s) may be identified by Q4 2025/Q1 2026 (pending Transmission Planning Bulk Study results).

## Indigenous Engagement and Participation Plan (IEPP) Features

- Determine the terms and requirements for IEPP and seek feedback

# Tentative TSF Timelines & Milestones: Initial Procurement



Engaging and Working closely with Indigenous Communities, Transmitters and Stakeholders

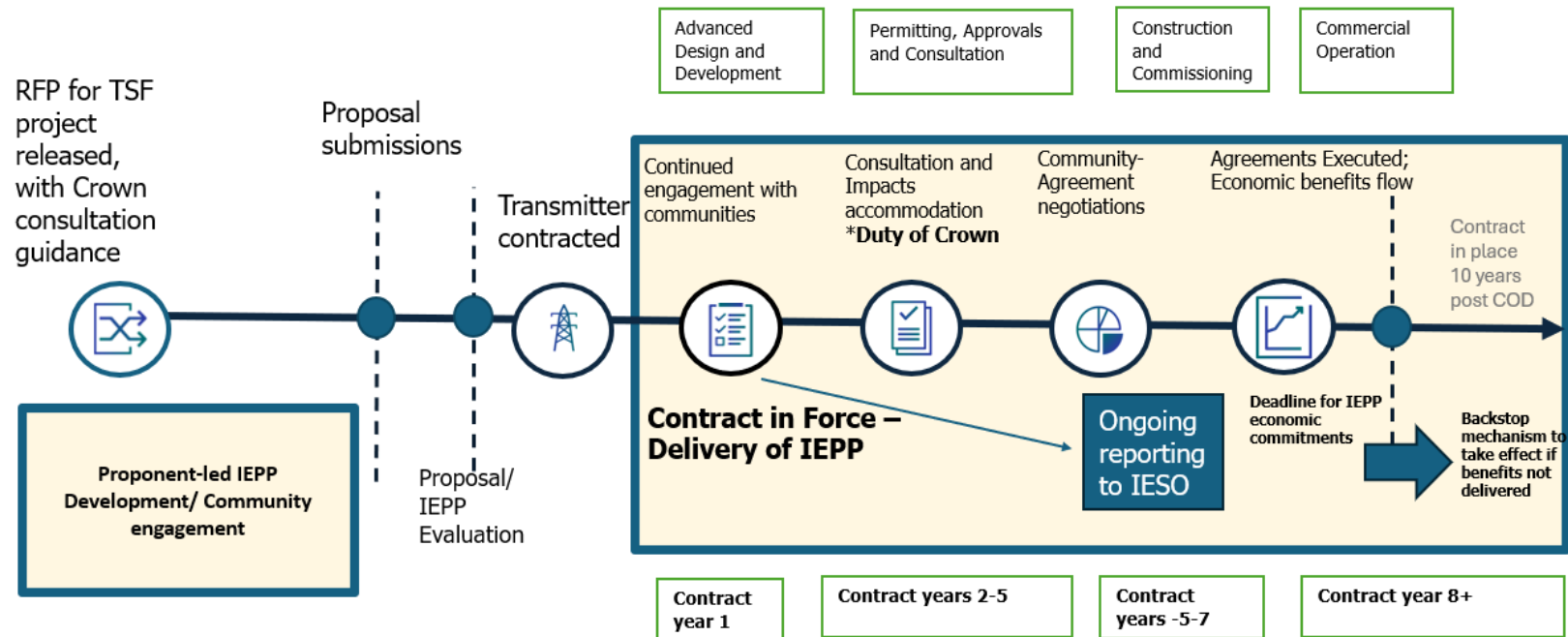


# TSF RFP Design Features – for Feedback/Discussion

## Recap: Indigenous Engagement and Participation Plan

- In addition to requiring non-exclusivity from TSF registrants (in order to promote Indigenous participation and choice within TSF proposals), the IESO has identified a proposed requirement for proposals submitted under a TSF RFP: an Indigenous Engagement and Participation Plan (IEPP)
- The IEPP is envisioned to identify the engagement approach and participation opportunities for each of the potentially impacted Indigenous communities
- The transmitter selected through the TSF would be **contractually required** to implement their IEPP. The IESO may include a back-stop mechanism within the IESO-transmitter contract to ensure benefits flow to communities.
- IEPPs would be expected to be informed by engagement with potentially impacted communities, and those that have a higher overall level of Indigenous participation may be scored higher in the IESO's proposal evaluation.

# IEPP – Process overview



## Recap: TSF Contract Approach Options

In developing a contract approach, the IESO considered running a procurement with varying levels of involvement, including:

<b>Selection Only</b>	IESO runs procurement to identify a developer, resulting in the immediate transition to rate regulation oversight by the OEB.
<b>Partial Contracting</b>	IESO runs a procurement and awards a contract with the selected transmitter for a portion of the project cycle/asset life. The project would transition to traditional rate regulation and regulatory oversight by the OEB at a predetermined milestone (for example, once the Commercial Operation Date (COD) is achieved, or perhaps COD + X years)
<b>Full Contracting</b>	IESO enters into a contract with the selected transmitter for the entire life of the transmission asset (minimum 40 years)



# Recap: Selection of Partial Contracting Approach

- The IESO has identified the **Partial Contracting** method to be the preferred approach and is moving forward with a COD+10 years model of contracting.
- The IESO will develop the procurement, award a contract, manage the contract during design and construction and then continue to manage the contract for the first 10 years of the project
- The partial contracting approach is intended to:
  - Emphasize enhanced cost certainty and risk management, while working within the existing rate regulation framework
  - Protect ratepayers by holding transmitters to proposal costs and schedule
  - Support accountability to Indigenous communities

# Partial Contracting Approach Overview

The proponent will receive payments over the assumed longevity of the developed asset.

- The payments are intended to cover all costs of financing, designing, building, operating and maintaining the line.
- For the first ten years of operation, the transmitter's revenue requirement will be set out in the TSF Contract, and this amount will be included in the OEB's rate-setting process.
- Payments will be initiated after the Commercial Operation Date (COD) is achieved.

In the 11th year of operation, the asset will transition to rate regulation under the OEB.

- The TSF Contract will stipulate that amounts filed with the OEB in year 11 be within a specified range relative to the last year of IESO contract payments (ie. Less than X% more than year 10) to support a smooth trend in annual payments and consistent payments over the life of the asset.

# TSF RFP: Proposed Detail in Procurement Documents

The IESO expects the procurement documents to specify the facility requirements at a level of detail as described in the chart below:

Attributes	Example Details
Description of facilities	Summary of the proposed form and function of the facilities
Location of facilities	Preferred interconnection points on the existing grid (a specific route will not be provided)
Length	An estimate of the linear distance between interconnection points
Voltage Class (kV)	Nominal operating voltage and design voltage (if different)
Line ratings (A or MW)	Continuous and limited-time ratings
Design features or constraints	Single or double circuit, tower type, other design constraints such as overhead or below ground sections, future upgradeability, interconnection requirements, etc.
Performance Requirements/Specifications	E.g. Response/restoration time limits, noise levels, etc.

# TSF RFP – Proposed Form of Bid

- The IESO is proposing the financial bid be submitted in the form of 10 annual revenue requirements
- A lifetime O&M plan is expected to be required as part of the bid submission package
- The IESO expects to specify a required in-service date and the discount rate used to calculate an NPV of the 10 annual revenue requirements
- The contract is expected to be designed with certain triggers for cost-adjustment mechanisms to bring certainty to the project costs; the IESO is accepting feedback regarding adjustment mechanism considerations



# TSF RFP: Draft Risk Allocation Matrix

Conceptually, the IESO is considering allocating risk in general alignment with this table, and is seeking feedback in the context of the proposed RFP bid design:

Ratepayer Risk	Transmitter Risk	Shared Risk
<ul style="list-style-type: none"><li>• Project Scope</li><li>• Change of Law</li><li>• Early Termination</li></ul>	<ul style="list-style-type: none"><li>• Routing</li><li>• Land Acquisition</li><li>• Design</li><li>• Construction</li><li>• Operation</li><li>• Financing</li></ul>	<ul style="list-style-type: none"><li>• Force Majeure</li><li>• Tariffs</li><li>• Inflation</li></ul>



## Discussion & Next Steps

# Discussion

1. **Bid Structure & Risk Allocation:** Does the proposed form of RFP bid and high-level risk allocation strike the right balance between protecting ratepayers while providing an attractive proposition to transmitters and financiers?
2. **Reducing Bid Risk Premiums:** Are there mechanisms within the form of proposal submission (or within the contract) that the IESO should consider to reduce risk premiums included in bids?
3. **Evaluating Indigenous Participation within IEPP:** How should the IESO consider evaluating the IEPP, to support meaningful Indigenous economic participation and engagement amongst potentially impacted communities? Is it helpful (or a hindrance) for rated or mandatory criteria to set minimum levels of Indigenous participation?
4. **Cost Containment:** Should the IESO develop a highly prescriptive approach to cost-containment or leave it open for transmitters to develop within their proposals?
5. **Schedule & Development Risks:** Do the proposed milestones and timelines for an initial TSF procurement (noted on slide 28) appear reasonable and appropriately reflect the time required for proposal preparation? Are there specific risks the IESO should plan for?

## Next Steps

- The IESO invites written feedback on the TSF design considerations or questions regarding the final TSF-R program rules by **July 16, 2025**. All written feedback should be submitted to [engagement@ieso.ca](mailto:engagement@ieso.ca) using the IESO Feedback Form, which is posted on the engagement webpage.
- The IESO will endeavor to compile all Registry-related questions into a live-FAQ document.
- The Final TSF-R Program Rules and responses to questions will be posted on the dedicated [\*\*TSF Website\*\*](#). The launch date for the TSF-R is scheduled for before August 15, 2025. Please register for updates on the TSF Webpage.
- We will remain flexible on receiving input regarding TSF development – contact us if you are interested in setting up a 1:1 meeting directly with the IESO to discuss any of the topics explored today, or other topics relevant to the TSF.
- The IESO will look to hold an engagement session in **September** with a draft term sheet, and additional RFP and Contract design details.



# Thank You

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