

Feedback Received and IESO Response

Transmitter Selection Framework

Following the January 28, 2026, Transmitter Selection Framework webinar, the IESO invited participants to provide comments and feedback on the materials presented by February 18, 2026. The presentation materials and participants feedback submissions have been posted on the Transmitter Selection Framework engagement webpage. Please reference these materials for specific feedback as the information below provides excerpts and/or a summary only.

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Procurement Approach and Evaluation Framework:

Feedback Received	IESO Response
<p>Participants expressed differing perspectives on the use of a competitive procurement process for the TTL:</p> <ul style="list-style-type: none">Participants raised concerns about applying a new competitive framework to a large, complex, and system-critical project, noting risks related to schedule, integration, and execution.	<p>As discussed during the webinar, the IESO is seeking to strike a balance to enable competition and support predictable ratepayer and Indigenous community outcomes within transmission procurement while recognizing the complexity of the TTL project and that binding, competitive transmission procurement is a new concept for Ontario.</p>

<ul style="list-style-type: none"> Others supported a competitive procurement model to promote cost discipline, innovation, and transparency, with appropriate adaptations for a first-of-its-kind submarine HVDC project in Ontario. <p>Across perspectives, there was broad agreement that:</p> <ul style="list-style-type: none"> The RFP should clearly distinguish mandatory eligibility criteria and rated criteria. Evaluation criteria and weightings should be disclosed in advance to enhance transparency and bidder certainty. Lessons learned from prior transmission procurements should inform the design of the evaluation and oversight framework. 	<p>The IESO agrees that the RFP evaluation criteria will need to be well understood and disclosed in advance prior to the release of the final RFP, and that the overall approach should be informed by lessons learned from previous transmitter selection processes and best practices adopted within other jurisdictions.</p> <p>The IESO remains committed to developing the form of the RFP, including the selection criteria, in a transparent manner with opportunities for stakeholder and Indigenous community input.</p>
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Experience and Qualification Requirements:

Feedback Received	IESO Response
<p>Participants emphasized the importance of clearly defined experience requirements, particularly given the technical complexity of the project.</p> <p>Key themes included:</p> <ul style="list-style-type: none"> HVDC and submarine transmission expertise should be strongly weighted, including demonstrated experience across the full project lifecycle (planning, permitting, financing, construction, commissioning, and operations). Experience with system integration, converter station commissioning, protection and control systems, and marine installation was identified as critical. Experience should be assessed at both: 	<p>The IESO agrees that requirements regarding proponent experience will need to be clearly defined within the RFP and informed by sector engagement and policy direction. Experience working with Indigenous communities will be a key consideration for proponents, as will demonstrated experience in HVDC and submarine infrastructure development and operation.</p> <p>The IESO intends to engage on proposed minimum experience levels, at both the organizational and team member levels in upcoming engagements. The IESO will need to seek to balance ensuring appropriate levels of experience commensurate to the scope and scale of the TTL, while supporting competition and enabling participation opportunities for new-to-Ontario transmitters.</p>

<ul style="list-style-type: none"> ○ The corporate level (financial capacity, governance, operational accountability), and ○ The project team level (named key personnel, EPC partners, OEMs, and technical specialists). ● Ontario-specific transmission experience, including familiarity with local regulatory processes and urban delivery conditions, was viewed by some as an important risk-mitigation factor. ● Participants generally supported allowing specialized technical experience to be demonstrated through qualified partners or subcontractors, provided overall accountability remains clear. <p>Demonstrated delivery of comparable infrastructure projects on time and on budget, along with access to capital and cost containment capability, was consistently highlighted as important.</p> <p>Indigenous communities and stakeholders emphasized that experience requirements should also assess demonstrated success forming durable partnerships with Indigenous communities and delivering on past commitments, particularly equity participation and long-term economic involvement.</p>	
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Indigenous Engagement and Participation Plan (IEPP):

Feedback Received	IESO Response
<p>There was strong alignment on the importance of meaningful Indigenous engagement and economic participation throughout the project lifecycle.</p> <p>Indigenous communities and stakeholders emphasized that evaluation should focus on:</p> <ul style="list-style-type: none"> ● Demonstrated experience forming durable partnerships with Indigenous communities, particularly in Ontario. 	<p>The IESO appreciates the robust and thoughtful input and feedback provided to date. There is alignment on the expectation that proponents must have experience working with Indigenous communities in order to participate in the TTL RFP. There is also alignment with respect to the requirement for proponents to develop and submit an Indigenous Engagement and Participation Plan (IEPP) as part of their RFP proposal. It should be</p>

<ul style="list-style-type: none"> • Evidence of delivering on past commitments (e.g., equity partnerships, procurement participation, training, employment, and capacity supports). • Alignment with the Crown’s Duty to Consult and evolving legal and policy frameworks. <p>Indigenous communities and stakeholders recommended:</p> <ul style="list-style-type: none"> • A mandatory eligibility requirement demonstrating prior meaningful Indigenous partnership experience. • Additional rated criteria assessing the depth, quality, and outcomes of proposed Indigenous participation. <p>With respect to participation models:</p> <ul style="list-style-type: none"> • Both equity participation and non-equity benefits (such as supply chain opportunities, employment, training, and scholarships) were viewed as important. • Equity participation was often described as providing long-term economic alignment, while non-equity benefits can deliver immediate and transferable impacts. • Flexibility is important to reflect the priorities of impacted Indigenous communities. • Indigenous communities emphasized that participation structure should reflect community decision-making and not be prescribed by proponents. <p>Indigenous communities and stakeholders also highlighted the need for:</p> <ul style="list-style-type: none"> • Early and adequate capacity funding to support Indigenous participation in the procurement process. 	<p>noted that the IEPP is separate from, and does not replace, the Crown’s duty to consult.</p> <p>With respect to Indigenous economic participation and different participation models, the IESO agrees that the IEPP approach for the TTL RFP will need to enable flexibility and community choice while providing clear expectations for proponents and ensuring accountability for the successful transmitter. The IESO recognizes that a prescriptive or ‘one size fits all’ approach will not be workable, and that different forms of Indigenous economic participation (i.e., equity and non-equity options) should be enabled.</p> <p>The IESO remains committed to developing the form of the RFP, including the selection criteria, in a transparent manner with opportunities for stakeholder and Indigenous community input. In particular, the IESO welcomes opportunities to meet with Indigenous communities on a 1-on-1 basis to share TTL procurement design proposals and solicit feedback and answer questions.</p>
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<ul style="list-style-type: none"> • Structured engagement processes to prevent communities from being overwhelmed by multiple bidders. • Mechanisms to ensure proponents remain accountable for IEPP commitments after contract award. • An approach that avoids placing Indigenous communities in competition with one another. 	
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Technical Requirements and Commercial Framework Design:

Feedback Received	IESO Response
<p>Participants supported a balanced approach to technical specification:</p> <ul style="list-style-type: none"> • The IESO should be prescriptive on outcomes, performance standards, and system constraints, including capacity, availability, reliability, standards compliance, and interface points. • Proponents should retain flexibility in detailed design, technology selection, routing, and supply chain strategy to encourage innovation and optimize cost. <p>Providing robust baseline information (e.g., environmental, geotechnical, routing constraints) was recommended to:</p> <ul style="list-style-type: none"> • Support bid comparability, • Reduce contingencies, and • Discourage technically unworkable proposals. • <p>Participants also emphasized the importance of ensuring the asset remains maintainable, commercially viable, and aligned with long-term operational requirements.</p> <p>Indigenous communities emphasized that technical and routing decisions must respect Indigenous rights, environmental stewardship, and evolving consultation considerations,</p>	<p>The IESO is presently working to define the technical specifications of the TTL to be included within the RFP, which will be informed by stakeholder and transmitter engagement. In doing so, the IESO will seek to provide sufficient baseline information to enable bid comparability, narrow contingencies and uncertainties, and ensure proposals are all technically viable.</p> <p>Routing decisions will ultimately remain the responsibility of the successful transmitter and will not be evaluated by the IESO as part of the RFP. The IESO agrees that a transmitter's final routing must respect and incorporate findings following permitting and consultation activities.</p>

particularly with respect to water and lakebed impacts.

Risk Allocation, Cost Containment, and Schedule Incentives:

Feedback Received

IESO Response

Participants identified several categories of risk that may be difficult for proponents to fully control or price at bid stage, including:

- Regulatory and legislative changes,
- Crown Indigenous consultation outcomes,
- Environmental and permitting uncertainties (including lakebed conditions),
- Global HVDC supply chain constraints and long-lead equipment procurement,
- Interconnection approvals and system integration,
- Force majeure events and trade disruptions.

Many cautioned that allocating these risks entirely to proponents could increase bid prices through added contingencies.

Recommended approaches included:

- Maintaining established regulatory oversight mechanisms while using the procurement contract to reinforce delivery accountability.
- Clearly defining which risks are within the proponent's control and structuring incentives accordingly.
- Using schedule incentives focused primarily on the commercial operation date, including:
 - Liquidated damages for delay,
 - Milestone reporting and recovery plans,
 - Potential incentives for early completion,

As discussed during the January 28, 2026 engagement, the IESO is developing the approach to define which of the TTL costs will be fixed within the contract/rate base, and which will be subject to allowable adjustments.

In principle, the IESO is seeking to align fixed price components with items within the reasonable control of the transmitter.

The IESO understands that some aspects of transmission project development are not in the reasonable control of the transmitter and is aiming to align the fixed cost components to reflect this.

The IESO is also continuing to engage and seek direction on policy related to early in-service and domestic content incentives.

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- Milestone-based or early-works readiness mechanisms to secure long-lead equipment.

Some participants also recommended evaluating, and where appropriate weighting, commitments related to Ontario and Canadian economic participation, including domestic procurement and workforce development.

Indigenous communities emphasized that early, well-supported participation and capacity funding can reduce schedule risk and that meaningful partnership should be treated as foundational to successful project delivery.
