# Feedback Form

## Long-Term 2 RFP – June 16, 2026

### Feedback Provided by:

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Date: July 3, 2026

To promote transparency, feedback submitted will be posted on the Long-Term 2 RFP engagement page unless otherwise requested by the sender.

- ☐ **NO - There is confidential information, do not post**
- X **YES - Comfortable to publish to the IESO web page**

Following the June 16th, Long-Term 2 RFP engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed. The presentation and recording can be accessed from the Long-Term Procurement engagement webpage.

**Note:** The IESO will accept additional materials where it may be required to support your rationale provided below. When sending additional materials, please indicate if they are confidential.

**Please submit feedback to** engagement@ieso.ca **by July 3, 2026.**

## Domestic Content Requirements

Do you have feedback on the proposed requirements?

Stakeholders are encouraged to review and provide feedback on the domestic content provisions that were applied for the LLT RFP and can be found in the LLT RFP Ministerial Directive

## Increased Proposal Fees

Do you have feedback on newly proposed fees?

CHP CAN members strongly oppose the proposed increase in fees, which would represent a 150% increase over 20 years, well over the pace of inflation over the same period. Considering how much effort, time and resources went into developing proposals and that the procurement was significantly oversubscribed, we feel the non-refundable proposal fee is not appropriate.

Furthermore, if the IESO does not set specific targets for storage and non-storage procurements in window 2, the increasing fees and the low likelihood of success will discourage gas proponents from participating in the next procurement window.

## E-PPA Design: DA to RT Adjustments

Do you have any comments to share with the IESO regarding the consideration of the IESO removing the DARTA mechanism for LT 2 Window 2?

## Locational Rated Criteria

Do you have feedback on the proposed locational rated criteria?

CHP CAN supports using locational rated criteria for projects located in areas with available transmission capacity and on circuits where a local system benefit has been identified in an IESO regional or bulk plan.

CHP CAN members strongly recommend the government recognize the advantages that come from smaller, distribution-connected generation that do not require transmission upgrades, providing these projects with a competitive advantage by reducing the evaluated proposal price in evaluation or through other means.

## Exclusion Criteria

Do you have feedback on the use of exclusion criteria to prohibit participation by any Proponent, including entities that Controlled the Proponent, deemed by the IESO not to be in good standing?

CHP CAN supports the IESO applying reasonable exclusion criteria, for example disqualifying proponents that are awarded contracts but don't sign contracts.

## General Comments/Feedback

Do you have additional feedback to share with the IESO?

We congratulate the IESO on achieving a low cost per kW in its recent LT2 capacity stream. However, the results suggest there could be a risk of the IESO only receiving battery storage submissions in subsequent rounds of procurement. Based on the IESO's own analysis of effective load carrying capacity, the batteries will have a diminishing impact on providing capacity.

To ensure a diversity of supply resources that can respond effectively to a range of demand requirements, the IESO should refine their approach and undertake technology-specific procurements in the future. Gas generation provides the foundational backup and longer-term firming capacity required to balance renewable energy sources like wind and solar, stepping in during extended periods of low renewable generation, ensuring grid reliability while preventing the need to massively overbuild renewable infrastructure.

According to the technical paper that IESO published in 2025 regarding the Effective Load Carrying Capacity of Energy Storage, IESO showed that as penetration of BESS continues to rise, the collective storage fleet becomes less effective in addressing prolonged periods of peak demand.
Given the existing and committed storage capacity in Ontario (more than 4GW) and the requirements to provide system reliability while avoiding system oversaturation, we suggest to IESO to set a procurement target for storage and non-storage assets, which better aligns with the different characteristics and benefits of such resources for the grid, customers, and taxpayers.

CHP CAN members recommend that the IESO consider how to build in as much flexibility as possible so that existing facilities can recontract or enter into a new contract. Our concern is that some facilities may not qualify under the proposed MT or 23 year in-service requirements. We would welcome the opportunity to meet with the IESO to compare our list of known generation facilities and how they might be permitted to participate in future MT or LT procurements.