# Feedback Form

# Medium-Term RFP – September 12, 2024

#### Feedback Provided by:

Name: Geoff Osborne

Title: Director, Business Development

Organization: Capstone Infrastructure

Email:

Date: 2024-10-01

Following the September 12 engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed during the webinar. The webinar presentation and recording can be accessed from the <u>engagement web page</u>.

**Please submit feedback to** <u>engagement@ieso.ca</u> by **September 27**. 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.



## Draft MT2 RFP/Contracts

| Торіс  | Feedback   |
|--|--|
| Are there any areas of the draft MT2<br>RFPs that require further clarity? | <ul> <li>Recommend IESO increase % of Marginal price<br/>threshold applied to 90%+, to maximize uptake of<br/>in-service renewable resources and potential re-<br/>deployment of capital into those projects to best-<br/>manage supply chain and costs for ratepayers.</li> </ul> |

| Торіс   | Feedback  |
|---|---|
| Are there any areas of the draft MT2<br>Contracts that require further clarity? | <ul> <li>Capstone recommends the IESO re-consider implementation of the E-PPA contract for MT2e RFP based on continuing stakeholder feedback – and instead extend existing contracts for the 5yr term, noting various concerns raised by industry in conjunction with Market Renewal in parallel.</li> <li>IESO should confirm whether lenders are broadly OK with a Force Majeure exclusion that includes: "in respect of any impacts of the COVID-19 pandemic, the Russo-Ukrainian military conflict or the military conflict in, adjacent to or relating to the state of Israel, that were known or ought reasonably to be known by the Supplier, in each case, based on their magnitude, scope and geographic scale as of the Contract Date"</li> <li>If the facility has set Contract Capacity today, at some point during 5yr MT2e contract, due to aging equipment (i.e., decommissioned turbine(s)) the facility is not able to operate at the full set Capacity - can the Contract Capacity be reduced to a lower value? How often can this be done?</li> <li>IESO should provide more detail to stakeholders regarding planned/unplanned outages during the MT2e contract term (i.e major repairs required to extend life) to ensure proponents that want to reinvest long-term into existing assets are not disincentivized / prevented from major capital projects – especially those tied to long-term safety/reliability as well as warranty implications.</li> </ul> |

#### MT2 RFP Timelines

| Topic   | Feedback  |
|---|---|
| Do you have any feedback regarding the timelines and/or milestones proposed for the MT2 RFPs? | •IESO should continue to consult very closely with industry<br>in order to enable proponents to best-manage supply chain<br>(i.e., equipment delivery timelines) and potential cost<br>impacts (i.e., tariffs) in order to best-protect ratepayers. |

### MT2 Registration/Qualification/Proposal Submission

| Торіс   | Feedback                         |
|---|----------------------------------|
| Do you have any feedback to share<br>regarding the applicability of the fees<br>proposed for the MT2 RFP? | Click or tap here to enter text. |

| Торіс   | Feedback  |
|---|---|
| Do you have any feedback regarding the<br>MT2 Registration and Qualified<br>Capacity/Energy confirmation process? | <ul> <li>If we submit the current full Nameplate Capacity in the<br/>MT2e Registration, can our Contract Capacity be reduced<br/>prior to final RFP submission, Contract award and or<br/>execution?</li> <li>If we submit lower than the full Nameplate Capacity, how<br/>is the AQEI calculated?</li> <li>How is curtailment factored into historical AQEI? If we<br/>have curtailment going forward, how does that impact<br/>applicable non-performance charges?</li> </ul> |

| Торіс  | Feedback                         |
|--|----------------------------------|
| Do you have any feedback regarding the<br>Proposal submission process and<br>requirements? | Click or tap here to enter text. |

#### General Comments/Feedback

• There is insufficient information available today on repowering options into future programs or RFPs and how those interact with MT2e. Understanding future processes can have major impacts on capital decisions and timing.