

# Feedback Form

## Annual Acquisition Report

### Public Information Session – April 8, 2022

#### Feedback Provided by:

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Date: April 27, 2022

Following the April 8<sup>h</sup> public information session on the Annual Acquisition Report (AAR), the Independent Electricity System Operator (IESO) is seeking feedback from participants on a variety of questions and details included in the report and session on April 8 to help further inform the path forward on meeting the needs identified in the AAR.

The referenced presentation can be found on the [AAR webpage](#).

Please provide feedback by **April 27, 2022 to [engagement@ieso.ca](mailto:engagement@ieso.ca)**. Also, please feel free to send any questions or request for clarification on the AAR in advance of the April 20 engagement session. This will ensure the IESO is prepared to help inform stakeholder feedback before the April 27 deadline.

## Same Technology Expansions

Topic	Feedback
<p>What procurement/negotiation timelines (i.e., contract execution) and forward period would be required to support a 2025 in-service date?</p>	<p>In the case of uprates at existing CCGT facilities, the complexities arise around timing of the next scheduled major maintenance of the unit(s) and OEM lead time for parts. Certain OEMs require the upgrade part component to be ordered 2 years in advance of the outage when the upgrade work is to occur.</p> <p>CCGT units have major maintenance outage dates forecasted based on OEM requirements (i.e., factored fired starts). If, for example, units are expected to undergo maintenance in the spring of 2024, the order for parts would need to be placed with the OEM imminently. In short, certain facility owners may not have much time before decisions and financial commitments would need to be made.</p> <p>Alternatively, facility owners may require additional outages to install upgrades outside of existing planned maintenance events which would increase the cost to implement and, in addition, expose contract holders to increased commercial and financial risk. Furthermore, with the upcoming tight supply situation it may become more challenging to secure appropriate outage windows to carry out required planned maintenance work to ensure reliable facility operations.</p> <p>Atura would encourage the IESO to develop a process that would provide proponents the assurance to proceed with commitments to upgrades by Q4 2022.</p>

Topic	Feedback
Is there any other external support (e.g., from the IESO) that would be needed to help proponents meet expedited development timelines?	With respect to uprates, at a minimum facility owners will require the IESO's assistance with maneuvering through the IESO's connection assessment process (i.e., SIA) associated with the upgrade work in order to meet commitment start dates.
What considerations should be given for community engagement and/or indigenous participation?	For uprates, community engagement should be the obligation of the supplier to manage within their existing stakeholder relations plans.

## Forward Capacity Auction

Topic	Feedback
Expanded participation and eligibility for resources	
Demand curve parameters	
Interactions with the annual capacity auction including target capacities	
Input into the design of longer commitment periods	
Other business/engagement/participation considerations associated with longer forward periods	

## Expedited Procurement

Topic	Feedback
What incentives are sufficient to encourage expedited project development to meet the 2025 needs (e.g., term length, pricing adders, reduced RFP requirements)?	
What procurement timelines (i.e., contract execution) and forward period would be required to support a 2025 in-service date?	

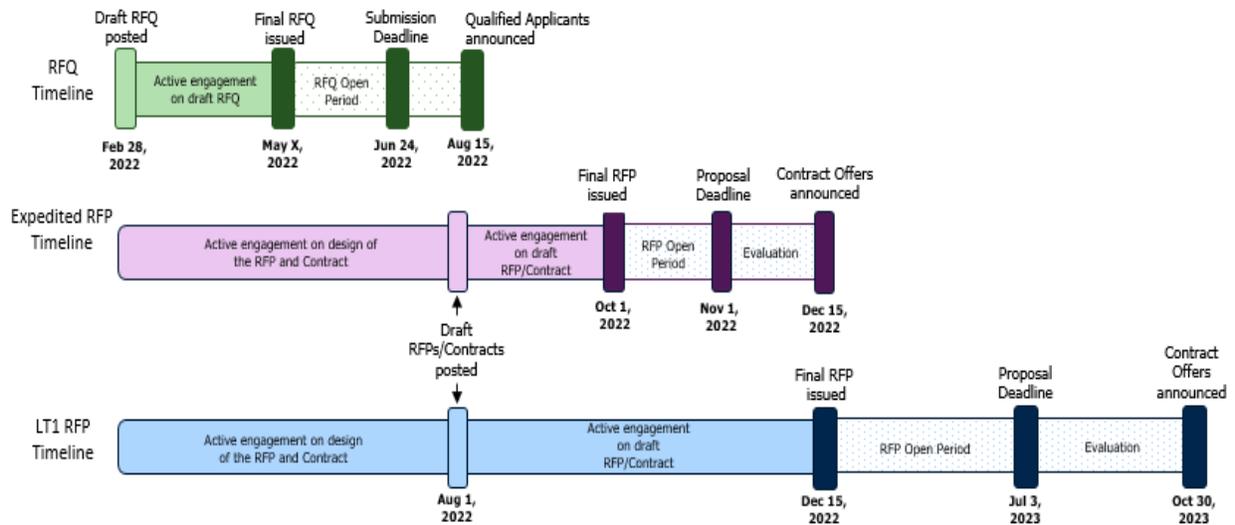
Topic	Feedback
Is there any other external support (e.g., from the IESO) that would be needed to help proponents meet expedited development timelines?	
What considerations should be given for community engagement and/or Indigenous participation?	

## General Comments/Feedback

This section can include insight on the proposed additional mechanisms including:

- Whether these are the right mechanisms to support in-service dates of 2025/26?
- Are the proposed timelines for the expedited process achievable?

## Expedited and LT RFP Procurement Timelines\*



\*All future dates are tentative: 2022 and 2023 timelines are not to scale.

## **General Comments on Same Technology Expansions (STE) Procurement**

### Form of Contract

Projects acquired under the STE procurement, should be integrated into existing contracts, as applying a new contract on top of an existing contract with differing contract end dates would prove difficult to administer. Furthermore, the existing CES contracts are financeable and have proven to have a reasonable risk allocation between the parties.

### Price

The contract price for the incremental capacity will be dependent on the term commitment for said capacity. The longer the IESO can commit to these upgrades creates opportunities for suppliers to offer the lowest incremental price. The price for incremental capacity can then be blended into the existing contract revenue requirement.

### Term

The existing base contract term needs to align with the term commitment for the incremental capacity. Based on expected useful life of prospective upgrades and public policy direction, Atura suggests that a minimum commitment to 2035 be considered.