

# Stakeholder Feedback and IESO Response

## Corporate Power Purchase Agreements (C-PPAs) for ICI participants – November 2025

Following the [November 4, 2025 Corporate Power Purchase Agreements for ICI participants stakeholder engagement webinar](#), the IESO invited stakeholders to provide comments and feedback on the materials presented by November 18, 2025.

The IESO received written feedback submissions from:

- [BGIS](#)
- [CarbonFree](#)
- [Compass Greenfield Development](#)
- [Horizon New Energy](#)
- [M'Chigeeng First Nation](#)
- [NJRM Professional Corporation](#)
- [Northland Power Inc.](#)
- [Ontario Power Generation](#)

The presentation materials and stakeholder feedback submissions have been posted on the IESO stakeholder [engagement webpage](#) for this engagement. Please reference the material for specific feedback as the below information provides excerpts and/or a summary only.

### Topic: Clarification of Settlement Mechanics

#### Feedback Received:

Stakeholders requested greater clarity on the practical operation of the settlement process. Questions focused on settlement frequency, the specific market price used, and how financial flows occur between the generator, customer, and the IESO. Additional clarification was sought on how actual energy use is reconciled, whether customer load must always be less than or equal to generator

output, and how any excess generation would be treated. Stakeholders also asked for information on typical IESO fees and costs associated with market participation.

#### **IESO Response:**

The IESO appreciates this feedback regarding settlement mechanics and related considerations. Information on settlement frequency, market price application, and financial flows is available on the [C-PPA Framework webpage](#), including FAQs and guideline documents.

The IESO will continue to refine and expand these resources to support stakeholder understanding and encourages stakeholders to reach out with specific questions as the framework evolves.

### **Topic: Eligibility of Storage and Hybrid Resources**

#### **Feedback Received:**

Stakeholders emphasized that enabling hybrid resources—particularly renewable generation paired with storage—is essential for achieving controllable output and supporting Class A customers’ GA management strategies. They noted that variable renewables alone cannot reliably coincide with peak hours, making storage a critical component for ensuring GA avoidance and providing financeable value streams. Stakeholders viewed expanded eligibility (e.g., hybrid or storage-backed projects) as important for stimulating new clean energy development and ensuring C-PPAs support “additionality.”

#### **IESO Response:**

The IESO appreciates this feedback on enabling hybrid and storage resources. [Under Ontario Regulation 429/04](#), section 10.9(1)(c), Eligible Electricity must be supplied directly from the generation facility to the grid without first being stored. As a result, hybrid and storage-backed resources are not eligible under the current framework.

Any changes to eligibility would require amendments to the regulation by the Ministry of Energy and Mines. The IESO will continue administering the framework in accordance with the regulation and will share stakeholder feedback with the Ministry as part of ongoing engagement.

### **Topic: Support for New Build Renewable Projects**

#### **Feedback Received:**

Stakeholders expressed concern that requiring projects to reach commercial operation before being eligible under the C-PPA framework discourages greenfield development. They noted that developers need revenue certainty earlier in the project lifecycle to secure financing. Some stakeholders suggested conditional or pre-COD approvals, or mechanisms allowing parties to demonstrate eligibility earlier so that new projects can advance with confidence.

#### **IESO Response:**

The IESO appreciates this feedback and acknowledges the considerations raised. This input will be reviewed in the context of the existing regulatory framework. At this time, no decisions have been made, and any potential changes would need to align with [Ontario Regulation 429/04](#) and may

involve further direction from government. The IESO will continue to engage with stakeholders and provide updates as appropriate.

## Topic: Market Participant Eligibility and Regulatory Clarity

### Feedback Received:

Stakeholders requested clearer guidance on the eligibility criteria for loads to register as market participants, including references to the specific market rule sections governing the minimum size requirement. Clarity is needed to understand the total addressable market for C-PPAs. Stakeholders also raised questions about how confidentiality of commercial terms will be protected during the IESO's eligibility review.

### IESO Response:

The IESO appreciates this feedback on market participant eligibility and confidentiality. Information on eligibility criteria, including minimum size requirements, is available in the [C-PPA Framework FAQ](#).

Confidential commercial information submitted to the IESO will be managed in accordance with established practices, consistent with other IESO processes. The IESO will provide clarification where necessary.

## Topic: Alignment With Other IESO Processes and Requirements

### Feedback Received:

Stakeholders encouraged alignment between the C-PPA framework and existing IESO procurement processes (e.g., LT2). They identified potential confusion if requirements such as prime agricultural land restrictions, Crown land eligibility, or municipal council resolutions differ between processes. Consistency was viewed as important to avoid uncertainty and unnecessary administrative burden.

### IESO Response:

The IESO appreciates this feedback on aligning the C-PPA framework with other IESO procurement processes. The framework was developed to align with [Ontario Regulation 429/04](#), which includes specific requirements related to Prime Agricultural Areas and Municipal Support Resolutions. The regulation also does not include any provisions regarding Crown land eligibility. We value stakeholder input to help maintain clarity and consistency across frameworks where possible.

## Topic: Risk of Regulatory or Policy Changes

### Feedback Received:

Stakeholders highlighted the potential risk that future changes to GA allocation rules, the Industrial Conservation Initiative, or other regulatory frameworks could affect the economics of executed C-PPAs. They requested clarity on how such risks might be managed or whether they are solely a matter for negotiation between counterparties.

### IESO Response:

The IESO appreciates this feedback regarding potential risks from future regulatory or policy changes. These regulations and programs are established by the Ministry of Energy and Mines, and any changes fall under the Ministry's authority.

The IESO will continue to administer programs in accordance with existing regulations and will provide updates on any changes that may impact market participants. Counterparties should consider regulatory risk within their commercial arrangements.

## Topic: Interconnection Queue Management

### Feedback Received:

Stakeholders noted that interconnection timelines and queue management will be critical to enabling new C-PPA-backed projects. They expressed interest in a process that allows developers to enter the interconnection queue once a C-PPA is executed, with mechanisms for withdrawing under specific conditions without penalty. There was also interest in early IESO confirmation of interconnection viability to support financing decisions.

### IESO Response:

The IESO appreciates this feedback on interconnection timelines and queue management. Interconnection processes within the IESO's scope follow established procedures designed to ensure system reliability and fairness.

Detailed information is available on the [Connecting to Ontario's Power System webpage](#), including guidance on connection applications and timelines. Stakeholders are also encouraged to engage directly with their respective transmission or distribution utility for connection-specific requirements.

## Topic: Environmental and GHG-Related Considerations

### Feedback Received

Some stakeholders raised concerns that certain generation types classified as "renewable" may still produce significant GHG emissions. They emphasized the importance of ensuring the framework does not inadvertently allow higher-emission technologies to qualify without appropriate safeguards, as this could undermine the decarbonization intent of C-PPAs.

### IESO Response:

The IESO appreciates this feedback regarding environmental and GHG-related considerations. Eligibility of generation technologies under the C-PPA framework is established by [Ontario Regulation 429/04](#). The IESO administers the program in accordance with this regulation.

Broader policy decisions, including changes to eligibility, fall under the responsibility of the Ministry of Energy and Mines.

## Topic: Indigenous Participation and Community Benefits

### Feedback Received:

Stakeholders expressed enthusiasm for the opportunities created by virtual C-PPAs to support Indigenous-led renewable projects. They encouraged the IESO to broaden eligibility (e.g., storage, smaller-scale virtual net metering) to promote participation. However, concerns were raised that post-COD eligibility limits Indigenous partners' ability to develop, finance, or expand new renewable projects.

#### IESO Response:

The IESO appreciates this feedback and interest in opportunities for Indigenous-led renewable projects. Information on eligibility for hybrid and storage facilities, as well as support for new build renewable projects, can be found in the responses above and is available in the [C-PPA Framework FAQ and Guideline documents](#).

### Topic: Need for Continued Engagement and Framework Refinement

#### Feedback Received:

Stakeholders broadly supported ongoing engagement to resolve outstanding operational and regulatory details. They expressed a desire for continued dialogue on settlement processes, eligibility requirements, interconnection considerations, confidentiality protections, and long-term regulatory stability to support effective commercial negotiations and investment decisions.

#### IESO Response:

The IESO appreciates this feedback and support for continued engagement. The IESO understands the importance of clarity on operational and regulatory elements and will continue to work with stakeholders as the framework is finalized and implemented. Stakeholders are encouraged to reach out with any questions or suggestions to support successful implementation.

### Topic: Impact on Other Electricity Consumers & Generation Eligibility

#### Feedback Received:

Stakeholders emphasized the importance of designing the C-PPA framework in a way that avoids unintended cost impacts on electricity consumers. Concern was raised that allowing eligible customers to contract with existing, lower-cost resources could shift costs onto other ratepayers if these resources are removed from the general supply mix.

#### IESO Response:

The IESO appreciates this feedback regarding potential cost impacts on electricity consumers. Program eligibility criteria and regulatory requirements are established by the Ministry of Energy and Mines, and the IESO administers programs in accordance with these regulations.

Under [Ontario Regulation 429/04](#), an Eligible Generation Facility must supply some electricity to the grid or a distribution system during each hour of the base period, except in circumstances beyond its control. This requirement helps ensure these resources remain part of Ontario's supply mix.

The IESO will continue to monitor stakeholder feedback and share insights with the Ministry to support policy alignment and minimize unintended impacts.

## Topic: Allowable Exceptions for Fuel Insufficiency

### Feedback Received:

Stakeholders recommended broadening the language related to exceptions for insufficient renewable fuel. They suggested replacing the specific references to “insufficient wind or sunlight” with more general language such as “insufficient fuel” to account for other resources that may face uncontrollable fuel limitations (e.g., water for hydro, biomass feedstock).

### IESO Response:

The IESO appreciates this feedback regarding allowable exceptions for fuel insufficiency. We understand the intent to ensure uncontrollable fuel limitations across different resource types are appropriately recognized.

Under [Ontario Regulation 429/04](#), section 10.13(1)(d)(i)(E), the clause already provides coverage for circumstances beyond a generator’s control, including situations such as insufficient water or other fuels. This interpretation aligns with the regulation’s intent to account for uncontrollable resource constraints.

Because these requirements are established in the regulation, the IESO does not plan to update its C-PPA forms on this matter. Any changes to eligibility criteria would require amendments to Ontario Regulation 429/04 by the Ministry of Energy and Mines. The IESO will continue to apply the regulation as written and engage with stakeholders to ensure clarity and compliance.

## Topic: System-Level GA Impacts and Peak-Coincidence Considerations

### Feedback Received:

Stakeholders asked whether the IESO has assessed the broader system impacts of large-scale C-PPA adoption on GA allocation, including the potential for increased GA shifting to Class B and small/medium business customers. They also expressed concern about the ability of different renewable technologies—particularly solar—to align with evolving peak demand patterns as Ontario moves toward a dual-peaking system.

### IESO Response:

The IESO appreciates this feedback regarding shifting GA costs and alignment with peak demand periods. We understand stakeholder interest in how large-scale C-PPA adoption may affect how GA costs are distributed and evolving peak demand patterns.

The IESO administers the C-PPA framework in accordance with [Ontario Regulation 429/04](#) and does not have discretion to modify GA allocation rules or peak demand methodologies, which are established under provincial regulation.

Any changes to eligibility criteria or regulatory language would require formal amendments to the Regulation by the Ministry of Energy and Mines. The IESO will continue to administer the C-PPA framework in accordance with existing regulation and engage stakeholders to ensure alignment with legislative requirements.