

# Feedback Form

## Long Lead-Time RFP – June 5, 2025

### Feedback Provided by:

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Date: 17<sup>th</sup> June 2025

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

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**Yes – there is confidential information, do not post**

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**No – comfortable to publish to the IESO web page**

Following the LLT RFP June 5, 2025, 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 [LLT engagement web page](#).

**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](mailto:engagement@ieso.ca) by June 17, 2025.**

## Resource Eligibility and Rated Criteria

### Hydro Resources - Redevelopments

*Do you have any information to share in support of expanding eligibility to include hydro redevelopments, expansions or upgrades?*

### LDES Resources

*Do you have any comments on the eligibility of LDES technologies?*

*We encourage stakeholders to submit recommendations on any other LDES technologies that you believe should be eligible along with supporting documentation (a) outlining why the suggested technology requires a long lead-time for development, and (b) demonstrating that it can operate reliably over the term of the LLT contract.*

RheEnergise supports the IESO's proposal to include pumped storage and compressed air energy storage as eligible technologies. It is also essential that innovative variants of similar mechanical storage technologies, which may not be currently known to IESO, be included, i.e. the phrasing of eligibility should be technology agnostic. RheEnergise encourages the IESO to collaborate with developers and technology providers to expand the list of eligible long-lead time LDES technologies. As eligibility broadens, it is important that the MW target for the procurement increases proportionally. This will help maintain interest from larger-scale resources and avoid inadvertently raising overall initiative costs.

### Storage Duration & Rated Criteria

*Do you have any comments or information to share regarding storage duration or rated criteria that the IESO should consider when evaluating projects under the LLT RFP?*

There are system benefits for longer durations of 8+ hours, potentially 10 or even 12 hours that the IESO may want to consider. Many jurisdictions are increasing their duration requirements.

## RFP Design Considerations

### Proposal & Completion and Performance Security

*Do you have comments on the proposed approach and security amounts?*

A total Proposal Security of \$35,000/MW up to a maximum of \$15 million is likely to deter participation of Long Lead Time projects in the IESO's process. Projects with longer development horizons, exhibit greater development risks and therefore costs especially when compared to generation or renewables. Having a large proposal security due at the time of proposal submission will disincentivize project participation. For a range of good and competitive tenders it would be essential that the IESO reduces the overall Proposal Security amount – in Australia, Australian Energy Market Operator (AEMO) Services required a maximum of AUD \$4,000/MW<sup>1</sup> during bid submission,

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<sup>1</sup> <https://aemoservices.com.au/tenders/-/media/4d5d90ede3b2485cb85591e50e6f8903.ashx?la=en>

increasing when contracts are awarded. In New York, NYSEERDA does not require any Security until contract award.

The IESO should be aware that high security premiums will inevitably feed through to higher cost projects, as the risks must be rewarded at some point, which in turn feeds through to higher costs for consumers.

An updated phased approach to security deposits, by the IESO, would also increase competitive participation.

The IESO should also consider providing proposal security refundability in specific cases.

## Interdependent Hydro Facilities (Energy Only)

*Do you have any comments or additional information to share with the IESO?*

*Specific project details may be shared in a separate document. Please include the following: list of individual facilities, including the capacity of each (in MW), that are looking to be considered under a single proposal, proposed project location/related river systems; and any other information you think would be helpful*

## Deliverability

*Do you have any information to share to support the IESO in determining the approach to offering a project specific consultation (or assessment)? Specifically, the IESO is interested in better understanding what information proponents require, and when this is needed, prior to submitting a proposal.*

The IESO should implement a clear, project-specific consultation process to identify and address deliverability challenges, leveraging expert studies. This process should account for the regional benefits of LDES technologies and the timeline before Commercial Operation to resolve system issues.

## Long-Term Outages

*Do you have any comments on the proposed approach to allowing suppliers to take one long-term outage for major maintenance activities during the contract term?*

*Specific details may also be shared in a separate document outlining the following: the nature of the work required as part of the long-term outage; the maximum duration of the outage (e.g., 6 months); and when the outage is expected to occur over the course of the contract term (e.g., year 20).*

## Contract Price Escalation

*Do you have feedback for the IESO to consider when establishing the contract price escalation for contracted long lead time resources?*

## General Comments/Feedback

*Please include any other feedback that you think may be relevant to inform the IESO's report back to the Minister of Energy and Mines.*

### **Procurement size:**

RheEnergise recommends the IESO consider aggregation of a number of smaller projects that combined can achieve the IESO's anticipated procurement targets, whatever those targets might become. RheEnergise recommends that the IESO increase the overall LLT Capacity procurement targets substantially. A larger procurement target would lead broader participation from proponents, and it turn better outcomes, with lower pricing, for the IESO and consumers. A larger target would allow for the contracting of a number of projects, at multiple scales, from several solution archetypes, which in turn will increase resilience, increase redundancy and help manage system risks. It will also allow for some projects to be on-line rapidly.

A larger capacity procurement would provide enhanced optionality to the IESO, and would not compel the IESO to procure (at that time) if some of the capacity is less competitive.