

Feedback Form

Long Lead-Time RFP – October 21, 2025

Feedback Provided by:

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Date: November 14, 2025

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

- ☐ **Yes – there is confidential information, do not post**
☒ **No – comfortable to publish to the IESO web page**

Following the October 21st Long Lead-Time 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 RFP Stakeholder Engagement Webpage](#).

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

Please submit feedback to engagement@ieso.ca by November 4, 2025.

Section 2: Additional Design Considerations (applicable to both Energy and Capacity streams)

Optional Termination

Do you have any feedback regarding the IESO's proposed Optional Termination provision and/or the proposed concept of a NTP Milestone Date?

Do you have any feedback/information to share regarding how other jurisdictions manage the uncertainty related to developing long lead time resources?

The IESO is trying to increase the involvement of Indigenous communities in renewable energy projects by providing RFP points for equity participation and for the participation of the local Indigenous community from where the project is located. The IESO's proposed Optional Termination provision undermines the ability for any Indigenous participation in all LLT projects.

First Nation communities do not have a pool of money set aside for investment purposes. Their annual budget is based primarily on Federal Government transfer payments. In order to participate in these projects, First Nation communities must finance its equity contribution. Putting an Optional Termination clause will make it much more difficult for lenders to finance these projects. All LLT projects are more expensive and more capital intensive than LT2 projects. This results in a longer development timeframe and a substantial increase in development budgets. The development period between contract award and NTP could be as long as 4 years. The development budget, pre-NTP, could be in the hundreds of millions of dollars. At a 50% equity ownership, how are First Nation communities able to support this? Even if they borrow the money from the developers, the termination of the contract would still result in a multi-million dollar liability for the First Nation with no cash flow to repay the loan.

This type of exposure is untenable to all First Nation communities. These projects—critical to delivering LDES solutions at the lowest cost to ratepayers—require substantial upfront investment (an order of magnitude higher than that required for comparably sized wind, solar and short-duration storage projects), particularly for those that will be most cost-effective to the IESO.

The government has developed a program to help First Nations finance their equity contributions into large energy projects. The Indigenous Opportunities Financing Program (IOEP) that is managed by the Building Ontario Fund (BOF) is designed to work with First Nations and various institutional investors to provide equity financing to First Nations participating in large energy projects at attractive rates. This Optional Termination clause would prevent First Nations from accessing this program that was designed for them. Lenders rely on the fact that the Power Purchase Agreements that are awarded are not optionally revokable. First Nation communities will find it impossible to raise the required equity if project financing alternatives are not available to them.

The NTP milestone for LLT projects has not been formally defined as of yet. Under previous IESO programs (FIT, LT2), NTP has always been the "go ahead" approval point where the project finishes the development phase and enters into the construction phase. Using this existing NTP definition, under these LLT projects, the point of NTP is too far into the project. Beyond the much higher basic up-front capital (devex) requirements, unlike conventional wind, solar, or short-duration battery storage, LLT projects carry a higher risk profile and longer development timelines. Revoking a project at this stage will result in financial ruin for any First Nation involved in these projects. Please

consider a shorter milestone date than NTP as your Optional Termination point if the IESO insists on this type of policy.

Any cancellation of the project by the IESO must come with a 100% equity return for all First Nation investments. Otherwise, the government's wish for First Nation involvement in these energy projects will not be feasible. This Optional Termination clause will have effectively shut out all Indigenous participation in these projects, contrary to the wishes of the Premier of Ontario and the Minister of Energy and Mines.

Section 3: General Comments/Feedback

Do you have any additional feedback to share with the IESO?

All Indigenous communities were excited with the government's support to include them in key infrastructure and energy projects. The government has put programs and policies in place to ensure all First Nations have an opportunity to participate in this economy. It is disheartening to learn that the IESO is actively trying to undo all of these programs and to put in policies that will prevent First Nations from participating in these projects.

We implore the IESO to please work with the government to ensure that First Nation communities still have an opportunity to contribute and participate in these energy projects. Please don't work against your own government in preventing the policies and programs, that are designed to help First Nations, from effectively doing what they were designed and intentioned to do.