

Feedback Form

Long-Lead Time RFP – November 19, 2025

Feedback Provided by:

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Date: December 3, 2025

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

- ☐ **NO There is confidential information, do not post**
☒ **YES Comfortable to publish to the IESO web page**

Following the November 19th Long Lead-Time RFP 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 engagement webpage](#).

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 by December 3, 2025.

LLT Energy RFP and Contract

LLT(e) RFP – Resource Eligibility

Do you have feedback on the proposed resource eligibility requirements?

The OWA does not support the IESO's proposal to exclude hydroelectric redevelopments from the LLT RFP. As outlined in O. Reg. 124/02, redevelopment is defined as "a station at which improvements include a substantially replaced powerhouse and associated physical infrastructure for the conveyance and utilization of water".

Further, MNR Policy interpretation in support of the Regulation provides that "Redevelopments are expected to occur when a station is at or near the end of the useful life of many of the components of the powerhouse and/or the physical infrastructure for the conveyance and use of water." Notably, the implementation of this regulatory regime (i.e. taxation) treats redeveloped and new hydroelectric facilities identically. As such, a redeveloped hydroelectric station is equivalent to a new station, both in existing government regulation and policy.

The rationale provided that "the IESO has received limited information from Proponents looking to redevelop hydro facilities and historical redevelopment timelines are highly variable" has no bearing on the fact that a redeveloped hydroelectric facility should be treated, from a procurement and contract term perspective, as the equivalent to a newly developed facility.

These are, in fact, two (2) different concepts: how long a hydro redevelopment may take; and the expected lifespan of a redeveloped facility. Existing and longstanding provincial regulation and policy in this regard provide more than ample evidence to justify awarding 40-year contracts for hydro redevelopments be it through an LLT or an LT procurement.

LLT(e) RFP – Team Member Experience

Do you have feedback on the proposed Team Member Experience requirements?

The OWA supports the IESO's proposal.

LLT(e) RFP – Access Rights

Do you have feedback to help inform the requirements related to access rights for waterpower projects?

The OWA generally supports the IESO's proposal as presented on Slide 15 but recommends the IESO directly engage Parks Canada (responsible for the Dominion Waterpower Act) to confirm their access requirements for priority access on federal waterways (currently a "survey permit").

The OWA is unaware of any consideration by the Ministry of Natural Resources (MNR) of potential additional or modified access rights requirements which could apply to hydro resources. In fact, MNR has recently convened a series of stakeholder engagement sessions on a range of proposed policy

reforms, including their “Renewable Energy on Crown Land” policy and no reference was made to the potential for “additional or modified access rights requirements”. The OWA would appreciate direct engagement on any such proposal with the IESO and MNR.

Draft Documents

Do you have feedback to share on the [draft LLT\(e\) RFP and Contract](#)?

Note: Stakeholders are welcome to attach a separate document that contains comments on the draft documents. Please indicate if separate documents are confidential.

Additional Design Considerations

Early In-Service Provisions

Do you have feedback related to the proposed early in-service provisions?

The OWA supports the proposals to

- Allow proponents to connect their projects early, provided the facility meets all applicable requirements to be registered and become a Market Participant;
- Early contract commencement with a term that extends the full forty (40) years in addition to the period of early connection;
- Commercial Operation can occur no earlier than 5 years after the Contract Date; and
- The request for an early Commercial Operation can be made no earlier than three years post the Contract Date and at least one year in advance of the expected Commercial Operation Date (COD).

The OWA is not supportive of an additional IESO approval that is dependent on factors such as system needs that exist at the time of the request as this could result in delaying or stranding investment.

General Comments/Feedback

Do you have additional feedback to share with the IESO?

The IESO has consistently communicated its commitment to a series of predictable, cadenced procurements to meet growing system needs and facilitate investor confidence in the development of new facilities and the attendant community and Indigenous relationships. The OWA supports the IESO’s expedited approach to the launch of LLT 1 and strongly encourages that the IESO communicate, in advance of its implementation, the projected timelines for subsequent Long Lead

Time procurements (i.e. LLT2, LLT3 etc), as has been done with LT2. This will enable proponents to better plan projects and avoid the potential “boom and bust” cycles we have seen in the past.

In addition, we wish to reiterate that the OWA does not support the IESO’s proposal to introduce Reserve Prices under both the energy and capacity streams. As noted at the engagement, “many stakeholders are opposed to the use of reserve prices, indicating that prices from recent IESO procurements are not a good comparison due to the types of technologies procured and their associated lifespans.”

Again, the OWA recommends that, as has been the case with other procurements, the IESO establish a % threshold of capacity/energy targets within the capacity/energy streams (e.g. 80%) as the basis for determining which projects are initially successful, with a reasonable bounding of the upper limit of price based on the average price bid. A reserve price serves no purpose in “managing uncertainty related to the cost of developing long lead time resources” as it will be proponents, through the competitive procurement process, who will be responsible for the majority of risk management against bid price (as indexed between contract execution and commercial operation).

We note that the IESO has received considerable concern regarding the potential for “Optional Termination” and we recommend that the concepts recently brought forward (as detailed below) be more thoroughly stakeholdered across the range of IESO procurements (e.g. LT3) and, if adopted, applied equitably to all procured new and redeveloped resources.

- The inclusion of specific reasons for which both the IESO and Supplier can terminate the contract (e.g., failure to meet key milestones or obtain permits).
- The date on which the optional termination right would lapse and how this relates to a milestone that indicates readiness to commence construction.
- The appropriate termination payment that should apply where the IESO terminates or the Supplier exercises optional termination.
- How Supplier elected termination would impact ability to participate in future IESO procurements with the same project.

Finally, the OWA once again encourages the IESO to be responsive to the Minister of Energy’s direction of May 2024 by “allowing existing hydroelectric facilities who want to expand or upgrade to participate in the LT2 RFP” (or LLT).

Thank you for the opportunity to comment.