

# Feedback Form

## Long Lead-Time RFP – February 26, 2026

### Feedback Provided by:

Name: Linda Heron

Title: Chair

Organization: Ontario Rivers Alliance

Email: [REDACTED]

Date: 11 March 2026

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 February 26<sup>th</sup> 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 Long Lead-Time RFP engagement webpage.

**Note:** The IESO will provide 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 March 12, 2026.**

## Access Rights - Federal Crown Lands

### **ORA - Project footprint and flooded area must not be deferred to the EA:**

In the February 26 Long Lead-Time (LLT) engagement, IESO staff confirmed that proponents are not required to include the flooded area or headpond in their LLT application and that inundation details can be left to the environmental assessment stage. That approach might be administratively convenient, but it is not acceptable for water-based projects with 40-year contracts. The headpond and inundation zone are not minor details; they are often the largest part of a hydro facility's footprint, which can spread over the riverbank, affecting wetlands, private property, municipal infrastructure, upstream creeks and tributaries, and the full extent of aquatic habitat that will be flooded or subject to fluctuating water levels. Many hectares of previously dry land can be flooded to make these projects work and are key to generating power on demand, especially on smaller rivers under 10 MW.

Deferring that information to the EA stage means that key decisions – including which projects advance in procurement, how transmission is planned, and whether a Municipal Support Resolution is granted – are made **before** councils and communities can see the full extent of the footprint and how large the reservoir and project will be. Municipalities will not realize that the extent of the flooded area is not captured in the “Project Site” they are shown, and will reasonably assume that all affected lands and waters are already reflected in the LLT maps and shapefiles. They will be wrong.

This sets the stage for lawsuits. The Class Environmental Assessment for Waterpower is not meant to settle land disputes or the misleading characterizations of project size—that will be for the courts to decide.

For a 40-year LLT contract, the full hydraulic footprint must be on the table at the very beginning:

- Normal operating headpond elevation and drawdown range;
- Full inundation/extents at normal and high pool;
- Upstream and downstream reaches affected by fluctuating water levels; and
- Connected wetlands, creeks and waterbodies that will see altered hydrology.

Deferring full hydraulic footprint disclosure until after procurement decisions are made creates a strong bias toward project approval and minimizes the space for meaningful changes or rejection if the full footprint proves unacceptable. Once a project is selected, transmission planning begins, and commercial expectations are embedded, materially reducing the likelihood of meaningful redesign or rejection. It effectively asks municipalities, Indigenous communities and the public to “sign a blank cheque” for land and water impacts in order to secure long-term contracts. This omission undermines informed municipal resolutions and increases legal and reputational risk to both proponents and government.

For waterpower projects, cumulative effects are driven by inundation extent, drawdown range, and altered hydrology, not just the powerhouse platform. Procurement screening that excludes these elements is not transparent and cannot credibly assess system-wide or watershed-level impacts.

**ORA recommends** that LLT rules be amended so that:

1. The **Project Site definition and shapefiles for hydropower includes the number of sites required for the entire operation, the full inundation/headpond extent, and all lands and waters subject to operational water-level changes** over the contract term.
2. LLT application requirements include mandatory mapping (and shapefiles) of the full hydraulic footprint, not just the dam and powerhouse platform.
3. Municipal Support Resolutions and any provincial approvals required prior to contract award must only be issued once this full footprint mapping has been provided and made publicly available.

## Regulation Services Readiness Requirements

ORA supports clear, enforceable technical readiness requirements. However, readiness obligations must not become a back-door way to shift poor planning and operational failure risks onto ratepayers through open-ended deferrals or repeated extensions. Hydropower output relies on adequate flows, and the Province's own Ontario Climate Change Impact Assessment <sup>1</sup> and IESO Planning documentation warn that hydropower is an energy-limited resource with 15 to 30% capacity during drought and low-flow periods.<sup>2</sup> So, it should come as no surprise when hydropower operations have to shut down for days, weeks, months or years, as is happening in many other regions in Ontario and beyond.<sup>3,4</sup> The ratepayer must not be expected to pay for a proponent's lack of good judgement or planning in this regard.

ORA recommends that testing and commissioning milestones be clearly defined and not subject to open-ended extensions. Relief should be granted only where delays are demonstrably outside the applicant's control, such as IESO-directed testing windows or system constraints—not where delays arise from incomplete design, inadequate preparation, or other avoidable project shortcomings.

## Timelines

ORA is concerned that the LLT procurement continues to advance without an integrated, province-wide public interest review of need, alternatives, and cumulative cost exposure to ratepayers. Procurement timelines should not be used to justify deferring key footprint, access, hydrology, and climate-risk information to later stages.

IESO should explicitly require that hydrology and energy modelling submitted with bids incorporate climate-adjusted and time-progressive scenarios over the full 40-year contract term, rather than using historic-only baselines.

ORA also questions the rationale for allowing projects as small as 1 MW into a long-lead procurement stream, including mandatory minimum 5-year COD restrictions. An under-10-MW facility does not align with the stated long-lead objectives, yet it can impose significant river fragmentation and cumulative impacts.

IESO should either:

1. Establish a minimum size threshold (e.g., 10–20 MW) for LLT eligibility; or
2. Require demonstrably larger system value and stronger screening for cumulative effects for <10 MW proposals.

## Draft RFP and Contract

Risk transfer to ratepayers remains a central concern. IESO’s engagement materials acknowledge requests to cap the proponent’s exposure for low water and high market price conditions, and IESO’s response that existing EPPA adjustments provide “sufficient protection” against risks “outside of the Supplier’s control.”

**Force Majeure Clarification:** ORA supports narrow relief for truly unmanageable external constraints (e.g., grid-based unavailability, confirmed force majeure), but hydrologic variability is intrinsic to hydroelectric generation and must remain a supplier risk—not a ratepayer’s burden. Relief provisions must not evolve into climate-risk backstops.

IESO should define force majeure and related exclusions conservatively and explicitly clarify that predictable or modelable hydrologic variability (including climate-adjusted drought/low-flow conditions) is not force majeure.

**Applicants must incorporate** historical flows and **future climate projections into their bid modelling**, including monthly/seasonal production profiles rather than annual averages, to avoid masking late-summer underperformance.

**Environmental Attributes:** The draft Contract provides the Buyer with no interest in Environmental Attributes until the 20th anniversary of COD, and only a 50% share of proceeds thereafter. This is not aligned with ratepayer-funded procurement.

If ratepayers fund the full revenue requirement for 40 years, ratepayers should receive the full benefit of environmental attributes and any related proceeds for the entire term, or at a minimum for the full cost-recovery period. ORA is strongly opposed to environmental attributes from hydropower, for reasons already well-supported in numerous other submissions. However, allowing the applicant to retain environmental attribute benefits during the primary cost-recovery phase, when virtually all project revenue risk is being underwritten through a long-term, ratepayer-backed contract, constitutes a structural transfer of public value to the proponent. Environmental attributes are not incidental; they are part of the facility’s economic value. Where public financing certainty is provided, the associated environmental value should accrue to the public that finances it.

**Project Site/Footprint and Access Rights:** As noted above, excluding inundation/headpond/reservoir and other impacted lands from the Project Site definition creates a transparency gap that biases procurement and weakens municipal decision-making. Further, access-rights documentation should ensure true deliverability: a letter asserting a “contractual right” to acquire/build/operate is not the same as secured, enforceable corridor access for construction and operations. The final RFP should require clear evidence of practicable access (including roads/corridors where relevant) sufficient to support the bid’s schedule and price.

## ORA General Comments/Feedback

ORA supports IESO's clarification that performance relief must be narrowly defined and that climate-related hydrologic variability remains a proponent's risk. Hydrology is intrinsic to hydroelectric generation and must not become a ratepayer-based performance guarantee. Force majeure should be limited to truly extraordinary and unforeseeable events and must not extend to predictable or climate-adjusted drought and low-flow conditions.

Climate change is no longer an unforeseeable contingency. Ontario's Provincial Climate Change Impact Assessment<sup>5</sup> and Canada's national climate science assessment, Canada's Changing Climate Report<sup>6</sup>, clearly document intensifying hydrologic variability, increased drought risk, higher evaporation rates, and altered seasonal flow regimes. Hydrologic conditions consistent with these documented projections cannot reasonably be classified as force majeure. They are foreseeable operating conditions that must be incorporated into project design, energy modelling, and financial assumptions.

In this context, advancing long-term procurement of new hydropower projects—particularly on smaller river systems that are demonstrably energy-limited and seasonally constrained—raises serious public-interest concerns. Hydropower reservoirs are now widely recognized as sources of greenhouse gas emissions, including methane, and hydro development alters water quantity, water quality, sediment transport, and aquatic ecosystems over >100-year timeframes.

Committing ratepayers to 40-year contracts for climate-exposed, hydrology-limited infrastructure, without requiring rigorous climate-adjusted, seasonal, and time-progressive flow modelling in bid assumptions, risks locking Ontario into assets where environmental and reliability performance is predicted to degrade over time rather than improve.

Energy shortfalls arising from these documented trends remain foreseeable business risks inherent to hydroelectric development and should not be transferred to ratepayers through contract relief mechanisms.

Historical IESO planning documents characterize northern hydroelectric generation as an energy-limited resource with reduced availability during drought and low-flow conditions.<sup>7</sup> The LLT procurement must reconcile this characterization with current climate projections and seasonal demand patterns. Installed potential (e.g., 4,000 MW) does not equate to an economically viable, firm, or climate-resilient supply. Procurement design should not transfer hydrologic and performance risk onto ratepayers.

A procurement framework that accepts projects as small as 1 MW risks maximizing geographic fragmentation while delivering negligible contribution to system adequacy. Minimum size thresholds should reflect system-scale value, not simply eligibility.

Small hydro does not scale efficiently; it scales geographically. Ontario's recent experience shows that projects under 10 MW frequently operate in reservoir-based cascades that peak daily to compensate for limited flows, resulting in significant alteration of riverine ecosystems and stress for modest hydrology-limited energy output. This procurement must not be structured to reward claims of installed capacity achievable only during the few months of spring freshet, while ignoring shutdown periods during summer low flows.

ORA's 2015 analysis of <10 MW Feed-in-Tariff contracts demonstrated that approximately 115 MW of installed capacity (approximately 57 MW of average output) would have affected 34 sites on 19 rivers. This underscores the disproportionate watershed footprint of small-scale hydro development on Ontario rivers. See ORA's Table 1 below:<sup>8</sup>



**Table 1 – Waterpower Proposals under 10 MW with FIT Contracts:**

Following is a list of small waterpower proposals that ORA has reviewed under the FIT Program. No complete list is available to the public, so it does not reflect all current proposals.

	RIVER	FIT PROJECT	Installed Capacity MW	Actual Power MW
1	Kapusking River	Outlet Kapuskasing lake	2.5	1.3
2	Kapusking River	Lapinagam Rapids	8.2	4.1
3	Kapusking River	Middle Twp.	5	2.5
4	Kapusking River	Near North Boundary	3.8	1.9
5	Larder River	Raven Falls	1.3	625 kW
6	Ivanhoe River	Third Falls	5.1	2.6
7	Ivanhoe River	The Chute	3.6	1.8
8	Frederick House River	Wanatango Falls	4.7	2.3
9	Serpent River	Four Slide Falls	7.3	3.7
10	Serpent River	McCarthy Chute	2	1
11	Serpent River	Pecors Power Small Hydro Project	2	1
12	Blanche River	Marter Twp.	2.1	1
13	Vermillion River	McPherson Falls	2	1
14	Vermillion River	Cascade Falls	2.1	1
15	Vermillion River	At Soo Crossing	4.3	2.1
16	Vermillion River	Wabagishik Rapids	3.4	1.7
17	Wanapitei River	Allen & Struthers	2.8	1.4
18	Wanapitei River	Secord Rapids	750 kW	475 kW
19	Little Thessalon River	Shaw Dam GS	200 kW	100 kW
20	Little Thessalon River	Little Rapids GS	200 kW	100 kW
21	Clyde River	Herron Mills Waterpower Project	156 kW	78 kW
22	Grand River	Elora Hydro Electric	1	500 kW
23	Mississippi River	Almonte GS	5	2.5
24	Mississippi River	Enerdu Hydroelectric Project	1	500 kW
25	Twelve Mile Creek	Shickluna Small Hydro Project	4	2
26	Gull River	Norland Power Hydropower Project	500 kW	250 kW
27	Drag River	Drag River GS	300 kW	150 kW
28	Kabinakagami River	Neeskah Project	6.5	3.3
29	Kabinakagami River	Peeshoo Project	6.5	3.3
30	Kabinakagami River	Wapoose Project	6.5	3.3
31	Kabinakagami River	Wahpeeston Project	6.5	3.3
32	Trout Lake River	Trout Lake River Hydro Project	4	2
33	Namakan River	High Falls Hydropower Development	4.5	2.3
34	Moon River	North Bala Small Hydro Project	4.5	2.3
		<b>Total Hydroelectric Proposals - MW</b>	<b>115</b>	<b>57</b>

**Note:** 34 waterpower facilities would compromise 19 Ontario rivers and their ecosystems to generate a net of approximately 57 MW of power under the Green Energy Act. Seasonal flows can limit actual power generated to an average of from 15 to 50% of Installed Capacity – we have generously estimated efficiency at 50% for the purposes of this table.

The IESO should transparently disclose the capacity factor assumptions used when translating the proposed 1 TWh energy-stream target into an implied MW range. One TWh per year equals approximately 114 MW of continuous average output; translating that into 200–250 MW of installed capacity assumes high-capacity factors that may not be realistic under projected climate variability. IESO’s own planning documents have repeatedly characterized northern hydroelectric generation as an energy-limited resource.

Installed capacity figures must not be conflated with reliable seasonal performance. Hydro facilities on smaller systems often achieve peak output during spring freshet and experience reduced or negligible output during seasonal low-flow periods. Procurement modelling must disclose seasonal generation profiles, not annualized averages.

Ultimately, LLT procurement must defend system integrity and public interest by:

1. Keeping core hydrologic performance risk with proponents.
2. Ensuring environmental attributes fully accrue to ratepayers.
3. Requiring full hydraulic footprint disclosure at the procurement stage.
4. Screening out projects that deliver negligible system value relative to watershed-level cumulative impacts.

On smaller river systems, hydropower proposals consistently rely on reservoirs and peaking operations to achieve economic viability. This operating model amplifies cumulative ecological impacts through cascading development while delivering modest and hydrology-limited energy. Procurement design must recognize this structural pattern rather than treating projects as isolated generation units.

The existence of approximately 4,000 MW of theoretical hydropower potential in northern Ontario does not mean that development of that capacity is economically prudent, environmentally sustainable, or in the long-term public interest.

Linda Heron, Chair  
Ontario Rivers Alliance

---

<sup>1</sup> *Ontario Provincial Climate Change Impact Assessment, Technical Report, January 2023.* Online: <https://www.ontario.ca/files/2023-11/mecp-ontario-provincial-climate-change-impact-assessment-en-2023-11-21.pdf>

<sup>2</sup> *North of Dryden Integrated Regional Resource Plan – January 27, 2015, by OPA/IESO.* P-56 & 124. Online: <http://www.noma.on.ca/upload/documents/north-of-dryden-report-2015-01-27.pdf>

<sup>3</sup> *The demand for power might make one of Canada’s cleanest grids dirtier.* By Julia-Simone Rutgers, March 28, 2024, *The Narwhal*. Online: <https://thenarwhal.ca/manitoba-electricity-grid-natural-gas-reliance/>

<sup>4</sup> *Power corp says low water levels could extend into third year.* Emily Blake, *Cabin Radio*, 21 December 2023.

<sup>5</sup> *Ontario Provincial Climate Change Impact Assessment, Technical Report, January 2023.* Online: <https://www.ontario.ca/files/2023-11/mecp-ontario-provincial-climate-change-impact-assessment-en-2023-11-21.pdf>

<sup>6</sup> *Bush, E. and Lemmen, D.S., editors (2019): Canada’s Changing Climate Report, Government of Canada, Ottawa, ON. 444p., Chapter 6: Changes in Freshwater Availability Across Canada.* Online: [https://changingclimate.ca/CCCR2019/?utm\\_source=chatgpt.com](https://changingclimate.ca/CCCR2019/?utm_source=chatgpt.com)

<sup>7</sup> *North of Dryden Integrated Regional Resource Plan – January 27, 2015, by OPA/IESO.* P-56 & 124. Online: <http://www.noma.on.ca/upload/documents/north-of-dryden-report-2015-01-27.pdf>

<sup>8</sup> *Hydro Impacts 101: The Trade-offs.* 2015. Online: <https://www.ontarioriversalliance.ca/hydro-impacts-101-the-trade-offs-2/>