

Feedback Form

Long-Term 2 RFP – December 13, 2023

Feedback Provided by:

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

Following the LT2 RFP engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on specific items discussed during the webinar. The webinar presentation and recording can be accessed from the [engagement web page](#).

Please submit feedback to <mailto:engagement@ieso.ca> by January 15, 2024. If you wish to provide confidential feedback, please mark "Confidential". Feedback that is not marked "Confidential" will be posted on the engagement webpage.

Resource Adequacy Framework and Cadenced Procurement Approach

Topic	Feedback
Do you have any comments or concerns regarding the cadenced nature between upcoming LT and MT RFPs?	We support the cadenced approach in principle. However, we believe that with respect to wind projects, the timelines do not allow for sufficient time for collection of wind data for the first upcoming long-term procurement, LT2.
Do you have any comments or concerns regarding the proposed offering of both capacity style and new revenue model style of contracts, based on resource eligibility requirements and system needs?	No comment.
Do you have any concerns regarding the proposed target setting approach for upcoming MT RFPs?	The IESO has not been clear whether MT procurements would include natural gas generation. Information at the earliest possible time will help companies prepare for new procurements.
Do you have any comments regarding how best to employ bridging and extensions to contracts to facilitate the success of the Resource Adequacy Framework?	We recommend that IESO should only execute bridging or extensions if they assess that it would not stifle competition. We believe extending lucrative contracts will not be advantageous to ratepayers if a new competitive rate can be achieved from new facilities. Extensions and bridging should only be done if determined necessary for grid reliability as a short-term solution.

LT2 RFP Resource Eligibility and Timelines

Topic	Feedback
Do you have any general feedback on resource eligibility and timelines?	<p>In the context of wind projects, the current timelines do not allow for sufficient time for collection of wind data. We recommend shifting the submission deadline for the first long-term procurement (LT2) to the latter half of 2025. This extension of timelines will enable more competition and an increased ratepayer value.</p> <p>Furthermore, with respect to resource eligibility re-powered and existing projects should face the same requirements as new projects ensuring community support via municipal support resolution.</p>
If the potential of repowering an existing facility applies to you, would you be interested in exploring this option further?	No comment.
How should the optimal threshold for what constitutes a partial or fully repowered facility be determined and what considerations should be taken into account regarding the repowering of different resource types?	We support the 20% threshold proposed. Repowering must include replacement of key equipment, for example each prime mover for a wind facility, resulting in an overall substantial increase of the generation unit compared to its currently projected future output.
What considerations should be taken into account for new-build DERs?	No comments.
Please express any interest and opportunities for uprates and/or expansions at any of your existing facilities.	Our St Clair natural gas facility could provide significant power addressing the provincial need for energy if transitional resources, such as these, are provided an opportunity to expand in the long-term procurement.

LT2 RFP Design Considerations – System Congestion and Deliverability Approach

Topic	Feedback
<p>What early system congestion information do proponents need to guide them in choosing the location of their projects and when is this needed by within the procurement cycle?</p>	<p>The availability of system congestion information is crucial for project siting and mitigating curtailment risk. We suggest that the IESO provide circuit mapping, including names of circuit, voltage, and relevant congestion details such as Available Transmission Capacity and line ratings. Additionally, we propose providing congestion information in terms of time and frequency to improve the accuracy of curtailment risk prediction and disclosing information on short circuit risks.</p> <p>Furthermore, we recommend releasing this information at least 16 months before the bid submission to give proponents sufficient time for project siting.</p>
<p>Do you have any general suggestions for how to approach deliverability evaluation in the LT2 RFP?</p>	<p>We recommend IESO remove the deliverability test for LT2. We appreciate IESO’s plan to share information on areas of need and available transmission capacity well in advance of bid submission.</p>

LT2 RFP Design Considerations – General Feedback

Topic	Feedback
<p>Do you have any comments regarding the impacts that agricultural land-use limitations may have on project development?</p>	<p>There is a clear, existing development process for projects on agricultural lands; renewable energy projects should not be treated differently. We believe the requirement for municipal support resolution allows for local governing bodies to have their say on land use. In addition, we believe the rights of the landowner should be given preference in deciding whether they would like to use their land to allow development for an energy project.</p>
<p>Do you have any comments regarding what evaluation criteria can be utilized to evaluate project readiness, given tight timelines and reliability needs?</p>	<p>We commend IESO’s decision to remove the red tape that was the RFQ.</p> <p>We would like to reiterate our position on ensuring good projects are considered and not to disqualify projects based on easy to explain/non-competitive components of the application.</p>

Topic	Feedback
Do you have input on the proposed mechanism for valuing Indigenous participation?	Invenergy is supportive of the IESO encouraging Indigenous participation in the procurements.
Are there any other rated criteria that should be considered?	We would like to request further information explaining how rated criteria influence the PPA price.

Long Lead Time Resources

Topic	Feedback
Does the proposed approach to enabling long-lead time resources enable meaningful participation or sufficient certainty?	<p>The IESO should require that any resource that bids into the LT2, or subsequent LT process bid with the understanding that they must be able to meet the COD date established by the IESO for that procurement cycle. For example, if long-lead time resources bid into LT2 then they must be able to achieve the COD deadline of 2031. If they can not achieve this deadline then they should plan to participate in a future LT process. Otherwise there is an unfair advantage being given to these resources</p> <p>Further, projects should be evaluated solely on price (re-powered should not be given an implied preference)</p>
What additional considerations should the IESO contemplate for enabling broader participation from long-lead time resources?	No comments.

Revenue Model

Topic	Feedback
As a potential proponent, are you generally supportive of the proposed Enhanced PPA revenue model? Are there any other considerations that the IESO should look into further with regards to the revenue model?	<p>On preliminary examination we notice that, in addition to the risk carried by limited control over the production schedule, the current revenue model also carries the risk of exposure to Day-Ahead real time pricing.</p> <p>Further, We appreciate the applicability of the NYSERDA model to the IESO's long and medium-term procurements and are currently evaluating the model as has been</p>

proposed. Subsequently, we would wish to continue engaging with the IESO and will be seeking to participate in the proposed 1-1 meetings to discuss further comments, prior to the IESO submitting its report to the government in March.

General Comments/Feedback

No additional comments.