

Feedback Form

Long-Term 2 (LT2) RFP – May 23, 2024

Feedback Provided by:

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Date: 2024-06-10

To promote transparency, feedback submitted will be posted on the Long-Term RFP engagement page unless otherwise requested by the sender. If you wish to provide confidential feedback, please mark "Confidential".

Following the LT2 RFP May 23, 2024, engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed during the webinar. The webinar presentation and recording can be accessed from the [engagement web page](#).

Please submit feedback to engagement@ieso.ca by June 7, 2024.

LT2 RFP Energy + Capacity Streams

Topic	Feedback
Do you have any questions or comments regarding the clarifications the IESO provided regarding the targets, timing, eligibility or other details of the LT2 RFP Energy and Capacity streams?	<p data-bbox="620 226 1507 367">Atura recommends an annual procurement cycle to support a more regular development workflow and allow developers more options to propose projects and possibly reduce congestion on municipalities needing to consider a bulk of support resolutions.</p> <p data-bbox="620 409 1507 550">For the LT2 energy procurement, is the IESO's procurement target 5 TWh of energy or 2000 MW of installed capacity? For example, would the target installed capacity be adjusted to achieve the energy objective should there be misalignment?</p> <p data-bbox="620 592 1507 955">Assuming the IESO intends to perform a deliverability test as part of the LT2 energy procurement, it would be helpful for the assessment to be clear, concise, and reproducible by proponents. Given the complexity associated these analyses, additional transparency in the process would improve proponents' ability to assess the competitiveness/viability of their projects and focus development resources accordingly. For example, the IESO could identify fixed capacity (or energy production) limits by smaller sub-regions throughout Ontario to ensure system constraints are not violated and to avoid potential future congestion concerns.</p> <p data-bbox="620 997 1507 1171">Has the IESO considered technology carveouts for the capacity streams, specifically for Hydrogen? Hydrogen technology is currently in its nascent stages but holds significant potential to contribute to Ontario's low carbon strategy, a carveout would support emerging technologies and diversification of energy sources.</p>

Long-Lead Time Resources Procurement

Topic	Feedback
Do you have any questions or comments regarding the clarifications the IESO provided regarding the targets, timing, eligibility or other details of the Long Lead Time Resources Procurement?	No Comment

MT2 RFP

Topic	Feedback
Do you have any questions or comments regarding the clarifications the IESO provided regarding the targets, timing, eligibility or other details of the MT2 RFP?	No Comment

LT2 RFP Preliminary Connection Guidance Follow-Up

Topic	Feedback
Do you have recommendations for; addressing the previous feedback received; version 2 of the Guidance Document; and most specifically on the LT2 RFP capacity stream delivery approach the IESO is proposing.	<p>The Guidance Document provides limited guidance when a project may trigger significant upgrades and therefore putting a ceiling on project sizing. The restricted circuits and avoided circuits are presented as go or no-go connection points; some for circuits with lengths well over 100 km. A more nuanced understanding of the connection restrictions and capabilities would be helpful when assessing project designs that include community acceptance, resource potential and land costs.</p> <p>The IESO has also noted that most upgrades would be bulk system upgrades. Combined with the lower circuit limits for connection IESO could consider upgrades that can enhance connection while avoiding bulk system upgrades. With over 150 circuits to avoid restricted, it may be possible that not all would require a bulk system upgrade to allow connection of a renewable energy resource. The IESO may consider changing the deliverability approach to make better use the existing system, while establishing a process to allow appropriate expansion of the transmission system to allow connection of cost-effective projects.</p>

E-PPA Revenue Model and E-PPA Energy Market Settlement Examples

Topic	Feedback
Do you have any questions or comments regarding the modified, "protected" version of the Enhanced Power Purchase Agreement (E-PPA) that the IESO has proposed?	<p>Can the IESO provide the rationale for why 60% was chosen as the protected amount?</p> <p>With price outcomes under MRP currently unknown, it is challenging to understand how and when the protections would be in effect. Furthermore, would the IESO consider publishing historic centralized forecasts for existing resources (anonymized) comparing day-ahead and real-time to support better assessment of the risk being flowed to proponents. Given that for renewable resources, the real-time production is based on weather outcomes which cannot be predicted by the proponent, and the day ahead forecast is set by IESO, it is difficult to rationalize why proponents would bear the risk.</p>

General Comments/Feedback

The various procurements ongoing from the IESO would benefit from a more concise and coherent strategy for developing a comprehensive procurement document and process. Ad-hoc presentations on a monthly basis, without advance notice of the topics to be discussed and without clear timelines for decision-making, make it challenging for proponents to submit meaningful and reliable feedback. Many comments may no longer be relevant if major changes are introduced later as part of other presentations.

We recommend that the IESO lay out detailed timelines for preparing draft RFP and contract documents for interested stakeholders. These timelines may include when the IESO will present concepts for the different major components of the procurement process, such as deliverability, settlement, rated criteria, change in law, and MCOB provisions. Additionally, it would be beneficial for the timeline to indicate when the IESO aims to resolve design decisions and move forward. By building the entire procurement process with clear timelines and milestones, proponents will have greater confidence in understanding the IESO's objectives and requirements. This structured approach will facilitate more effective and constructive feedback from all stakeholders.

Thank you for considering our suggestions. We appreciate your attention to this matter and look forward to collaborating further throughout the RFP development process.