

Feedback Form

Long-Term RFP – March 10, 2022

Feedback Provided by:

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Date: March 17, 2022

Following the March 10th public webinar on the Long-Term RFP, the Independent Electricity System Operator (IESO) is seeking feedback from participants on a variety of elements to help further inform the draft RFP and Contract, including: term length, revenue streams, deliverability process and Draft RFQ.

The referenced presentation can be found on the [Long-Term RFP webpage](#).

Please provide feedback by March 17, 2022 to engagement@ieso.ca.

Please use subject header: **Long-Term RFP**. To promote transparency, this feedback will be posted on the [Long-Term RFP webpage](#) unless otherwise requested by the sender.

The IESO will work to consider and incorporate comments as appropriate and post responses on the webpage.

Thank you for your contribution.

Term Length

Topic	Feedback
Does the revised, 15-year term length provide stakeholders with sufficient certainty for project financing and development?	We recognize and commend the IESO for taking stakeholder feedback into account by increasing the term length of the LT RFP. The 15-year term length is more in line with what we see in other jurisdictions, which can range from 15 to 30 years. However, in order to holistically consider investability and revenue sufficiency other aspects of the RFP including contract structure and future opportunity will also need to be considered.

Revenue Streams

Topic	Feedback
Are stakeholders supportive of the high level approach for additional revenue streams, discussed in slides 26-28?	Yes, BluEarth is supportive of exploring structures for additional revenue streams above the initially proposed UCAP only. Our past feedback has suggested that in order to attract investment in the LT RFP and run the most competitive procurement, it is imperative that IESO look beyond UCAP.
Does an option with a capacity payment and energy market hedge provide stakeholders with sufficient certainty?	BluEarth requires further information on how an energy market hedge would be implemented, for example how this would be settled (ie; hourly, monthly...). In addition, this option does not consider the valuation of environmental attributes, an important revenue stream to consider in a growing carbon conscious world.
Do stakeholders believe that the high level revenue stream option supports efficient market operation? Are there additional considerations that could help support energy market efficiency?	Given the unknown future of the energy market prior to the launch of MRP, it will be hard for proponents to model/value the "upside" revenue of a floor price contract (ie; hedge). BluEarth maintains that the IESO should strongly consider a CFD type bundled contract, with energy attributes included.

Deliverability Process

Topic	Feedback
<p>Do stakeholders have any comments on the deliverability process laid out on slides 34-36?</p>	<p>To meet system needs in 2027 and earlier, it will be important to have a streamlined process <i>to provide certainty to proponents in preparing their proposals, while streamlining the proposal evaluation process.</i></p> <p>It will be important for this assessment to consider the type of resource being connected, taking into account the uniqueness of storage/hybrid facilities.</p>
<p>Does the general timing of the proposed deliverability process (i.e., a deliverability assessment window prior to proposal submission) provide stakeholders with enough clarity on the deliverability of their proposed project?</p>	<p>It makes sense to provide qualified proponents with a delivery assessment well in advance of RFP preparation.</p> <p>BluEarth would like further information on the number of delivery assessments each qualified proponent could access and an estimated timeline for the response turnaround.</p>

Draft RFQ

Topic	Feedback
<p>Do stakeholders have any general comments on the draft RFQ as discussed on slides 37-46?</p> <p><i>Please note that specific draft RFQ feedback is requested on the feedback form sent alongside the draft RFQ on February 28.</i></p>	<p>It would be helpful to have an updated expected timeline for the RFQ/RFP stages. In addition, any updates to the cadencing document (such as when the IESO anticipates the next LT RFQ/RFP to launch), even if these remain subject to change, would help to provide context for the size/scope future opportunities (along side the anticipated 2022 AAR).</p>

General Comments/Feedback

Given the aggressive timelines of this process, we highlight that in addition to the deliverability assessment, the interconnection process and other permitting processes required for project viability will require the IESO to engage with appropriate agencies to ensure that their process will allow for development in the tight timelines proposed in the LT1 RFP.