

Feedback Form

Long-Term RFP – April 20, 2022

Feedback Provided by:

Name: Jan Buijk

Title: CEO

Organization: AB Energy Canada Ltd.

Email: [REDACTED]

Date: April 29, 2022

Following the April 20th public webinar on the Long-Term RFP, the Independent Electricity System Operator (IESO) is seeking feedback from participants on the additional procurement mechanisms, as well as on proposed revenue streams.

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

Please provide feedback by May 2, 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.

Additional Acquisition Mechanisms: Expedited Procurement

Topic	Feedback
Considering higher security amounts, what incentives are sufficient to encourage expedited project development to meet the 2025 needs (e.g., increased term length, price adders, reduced RFP requirements)?	20 year contract from COD or May 1, 2025, whichever comes first.
What evidence can proponents include in the proposal to show the advanced stages of project development?	Site control/ownership and available grid capacity.
Is there any other external support (e.g., from the IESO) that would be needed to help proponents meet expedited development timelines?	Connection Impact Assessment and facilitation of grid connection
Are the proposed timelines acceptable to proponents? (slide 23 of April 20 presentation)	Yes
Do the timelines for the Expedited procurement offer sufficient time for proposal preparation? (slide 23 of April 20 presentation)	Yes
Any further general comments on the Expedited procurement?	If contract structure is similar to CHPSOP 2, obtaining financing will be relatively straightforward. Actual construction period is 14-16 months from contract award. CIA and availability of grid capacity will be main drivers for determining project timeline.

Additional Acquisition Mechanisms: Same Technology Expansions

Topic	Feedback
What milestones (i.e., contract execution) and forward period would be required to support a 2025 in-service date?	December 15, 2022 Contract Offer January 15, 2023 Contract Acceptance February 1, 2023 Start Preliminary Engineering May 1, 2023 Submit CIA Application August 1, 2023 Secure Grid Capacity November 1, 2023 Start Construction

Topic	Feedback
What considerations regarding the existing contracts does the IESO need to take into account in the design of the process?	Maintain similar/identical contract structure that was used for prior RFPs (CHPSOP 2) to ensure projects can easily obtain financing
Is there any other external support (i.e., from the IESO) that would be needed to help proponents meet expedited development timelines?	Connection Impact Assessment and facilitation of grid connection
Any further general comments on the same technology expansions?	

Additional Acquisition Mechanisms: Forward Capacity Auction

Topic	Feedback
To what extent does a forward capacity auction with longer forward and commitment periods increase interest for prospective auction participants?	
Do stakeholders have any comments on expanded participation and eligibility for resources?	
Do stakeholders have any comments on demand curve parameters?	
Do stakeholders have any comments on interactions with the annual capacity auction including target capacities?	
Do stakeholders have any input to provide into the design of longer forward and commitment period?	
Do stakeholders have any further comments on other business/stakeholder considerations associated with longer forward periods?	
Any further general comments on the forward capacity auction?	

LT1 Design Considerations: Revenue Streams

Topic	Feedback
Are stakeholders supportive of the concept of a bundled CFD style approach?	
As per slide 54, is a bundled CFD contract preferred that is either: (1) linked to energy market prices, with a strike price set at a \$/MWh value beyond a capacity payment, or (2) linked to a total revenue requirement \$/MW-month that includes both capacity revenues and energy market revenues?	Much prefer a CHPSOP 2 type contract structure.
How can a bundled CFD be best designed in order to ensure resources adhere to energy market incentives, in exchange for investor certainty?	

LT1 Design Considerations: Mandatory requirements

Topic	Feedback
Do stakeholders have any feedback on the examples of mandatory requirements on slide 63?	Minimum indigenous engagement will generally not be available for proposed projects.
Are stakeholders supportive of the Indigenous and Municipal mandatory requirements proposed for the LT1 RFP and Expedited procurement on slide 64?	Our focus is to locate generating facilities at new or existing greenhouses to lower the marginal cost of generation and provide additional benefits to the greenhouses. It will be difficult to seek indigenous engagement for the projects we intent to propose under the LT1 RFP

LT1 Design Considerations: Rated criteria

Topic	Feedback
Are stakeholders supportive of the rated criteria approach that is proposed for the LT1 RFP and Expedited procurement?	

Topic	Feedback
Are stakeholders supportive of the Indigenous participation rated criteria proposed on slide 66?	It will be difficult to seek indigenous engagement for the projects we intent to propose under the LT1 RFP

General Comments/Feedback