

# Feedback Form

## Draft Long-Term RFQ – Version 2 posted April 22, 2022

### Feedback Provided by:

Name: Click or tap here to enter text.

Title: Click or tap here to enter text.

Organization: Click or tap here to enter text.

Email: Click or tap here to enter text.

Date: Click or tap here to enter text.

The Independent Electricity System Operator (IESO) is seeking feedback from participants on the proposed revisions captured in version 2 of the draft Long-Term Request for Qualifications (LT1 RFQ). The LT 1 RFQ will seek to ensure that interested parties have sufficient financial capacity and experience to undertake project development for the LT1 RFP.

The draft LT1 RFQ can be found on the [Long-Term RFP webpage](#).

**Please provide feedback by May 2, 2022 to [engagement@ieso.ca](mailto:engagement@ieso.ca).**

Please use subject header: *Draft Long-Term 1 RFQ*. 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.

## Draft LT 1 RFQ

<b>Topic/ RFQ Section</b>	<b>Feedback</b>
<b>Qualification Submission</b>  Qualification Submission / Section 2.7 (b)(i)	Qualification Submission Fee of \$11,300 should be refunded if the application is unsuccessful. Currently it is non-refundable, except in cases where “an RFQ Applicant withdraws a Qualification Submission prior to the Qualification Submission Deadline” as provided in Section 2.7(c)(ii). From Section 2.13: (b) Confirmation that the project would be a dispatchable, New Build Electricity resource;
<b>Team Member Mandatory Requirements</b>  Large-Scale Team Member Experience / Section 3.2 (a)	
<b>Team Member Mandatory Requirements</b>  Small-Scale Team Member Experience / Section 3.2 (b)	It is ambiguous is the Team Member Mandatory Requirements can include contracted experts to plan, develop and install the project.  The requirement should be rewritten such that “Designated Team Members who collectively have experience Planning, Developing, and Constructing the project with identified and validated Financing, and with reasonable expectations for Operating the project over the contracted lifetime.”
<b>Evaluation of Entity Development Experience Threshold</b>  Large-Scale Entity Development Experience Threshold / Section 3.3 (a)	

Topic/ RFQ Section	Feedback
<p data-bbox="188 163 854 233"><b>Evaluation of Entity Development Experience Threshold</b></p> <p data-bbox="188 275 906 344">Small-Scale Entity Development Experience Threshold / Section 3.3 (b)</p>	<p data-bbox="935 163 1515 443">Consistency in the definition of Small-Scale is required as it is referred to as "(A) with a nameplate capacity of at least 500 kW" in section 3.3(b) but as "a Long-Term Capacity Project with a nameplate capacity which is equal to or above 1 MW but less than 5 MW" in Section 1.4.</p> <p data-bbox="935 485 1515 764">The requirement for the RFQ Applicant to have previous ownership "have directly owned five (5) or more Electricity generation or storage facilities" <u>disqualifies new</u> CHP builds which could provide a beneficial synergy for food production and energy generation.</p> <p data-bbox="935 806 1515 1001">The requirement should be rephrased without "prior" such that Operating "means demonstrable experience operating, monitoring, maintaining, inspecting and repairing an Electricity resource."</p>
<p data-bbox="188 1035 586 1073"><b>Determination of Eligibility</b></p> <p data-bbox="188 1104 334 1142">Section 3.4</p>	<p data-bbox="935 1035 1515 1589">Concerning the subsection (f), limiting the expedited process to "Large-Scale LT1 Projects and to RFQ Applicants that satisfy both the Large-Scale Team Member Experience and the Large-Scale Entity Development Experience Threshold" Misses a large opportunity for mid/intermediate scale projects with total electrical generating capacity between 3MW and 30 MW. Section 3.4(f) <u>must include the small scale</u>, even if keeping the "required level of proposal security under the Expedited Process is proposed to be 1.5 times the amount of the Base Proposal Security."</p>

## General Comments/Feedback

Under Section 1.4, nameplate capacity is provided as the threshold for the project scale. Clarification is required as to whether the nameplate capacity refers to the total project of the nameplate on the individual infrastructure component. In the event that the nameplate capacity refers to the total project size, an "intermediate-scale" consisting of:

a Long-Term Capacity Project with a nameplate capacity which is equal to or above 500kW, subject to a maximum of 30 MW (each a "Intermediate-Scale LT1 Project").



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Independent Electricity System Operator

120 Adelaide Street West, Suite 1600

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**RE: IESO Request for Qualifications for The Procurement of Long-Term Electricity Reliability Services (LT1 RFQ)**

The Ontario Greenhouse Vegetable Growers (OGVG) are pleased to provide commentary to the Ministry of Energy regarding the recently announced prioritization of key transmission projects in the Southwest. OGVG represents over 200 greenhouse vegetable producers that account for more than 3,500 acres of fresh, nutritious tomatoes, cucumbers and peppers grown annually. Generating farmgate sales exceeding \$1 Billion in both 2019 and 2020, the greenhouse vegetable sector is prepared to grow further at a rate of 5% per year over the next 5 years.

The implementation of technology, such as robotics, artificial intelligence applications, and highly advanced lighting systems are making greenhouse vegetable farms state-of-the-art production facilities. The ability for greenhouse farms to be primary producers of electricity to support a constrained electrical grid is an activity well-known to the sector. Maintaining current energy contracts distributing up nearly 40 Megawatts (MW) through the CHP1 and CHPSOP 2 programs, we are well-positioned to take part in the opportunity to deploy projects assisting in contributing to meeting the 2,500 MW being requested. Amending the current LT1 RFQ to include:

**Qualification Submission**

- 1) Qualification Submission Fee of \$11,300 should be refunded if the application is unsuccessful. Currently it is non-refundable, except in cases where “an RFQ Applicant withdraws a Qualification Submission prior to the Qualification Submission Deadline” as provided in Section 2.7(c)(ii).

From Section 2.13:

- (b) Confirmation that the project would be a dispatchable, New Build Electricity resource;

**Team Member Mandatory Requirements**

- 2) It is ambiguous referencing the Team Member Mandatory Requirements can include contracted experts to plan, develop and install the project.

The requirement should be rewritten such that “Designated Team Members who collectively have experience Planning, Developing, and Constructing the project with identified and validated Financing, and with reasonable expectations for Operating the project over the contracted lifetime”;

**Evaluation of Entity Development Experience Threshold**

- 3) Consistency in the definition of Small-Scale is required as it is referred to as “(A) with a nameplate capacity of at least 500 kW” in section 3.2(b) but as “a Long-Term Capacity Project with a nameplate capacity which is equal to or above 1 MW but less than 5 MW”.



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The requirement for the RFQ Applicant to have had previous ownership, “have directly owned five (5) or more Electricity generation or storage facilities” disqualifies new CHP builds which could provide a beneficial synergy for food production and energy generation.

The requirement should be rephrased without “prior” such that Operating “means demonstrable experience operating, monitoring, maintaining, inspecting, and repairing an Electricity resource;

#### **Determination of Eligibility**

- 4) Concerning the subsection (f), limiting the expedited process to “Large-Scale LT1 Projects and to RFQ Applicants that satisfy both the Large-Scale Team Member Experience and the Large-Scale Entity Development Experience Threshold” Misses a large opportunity for mid/intermediate scale projects with total electrical generating capacity between 3MW and 30 MW. Section 3.4(f) must include the small scale, even if keeping the “required level of proposal security under the Expedited Process is proposed to be 1.5 times the amount of the Base Proposal Security.”

It is also worth noting the importance of on-farm electrical generation’s role in supporting and supplementing critical infrastructure necessary to achieve provincial housing targets and growth imperatives that would assist Ontario’s Plan to Build. Leveraging assets that are under utilized and new assets that can be commissioned will strengthen the provincial electricity grid allowing urban development and sectoral growth. Also noteworthy is the ability of Ontario Greenhouse Vegetable Growers to recapture carbon dioxide (CO<sub>2</sub>) and feed back to crops, in addition to storing excess heat which is stored in water, to further minimize our environmental and energy footprints.

The Greenhouse vegetable sector is positioned to lead the Province of Ontario in a post-COVID-19 economic recovery. The power these projects could deliver will prevent brown outs, minimize the impacts currently felt by an over-subscribed grid, and allow businesses across many sectors to expand and flourish. For the greenhouse sector, the load profiles currently modeled have baseloads much lesser than what the requirements will be in the next 3 years.

Winter vegetable production is increasing due to the affordability and efficiency of lighting techniques, specifically Light Emitting Diode (LED) and High-Pressure Sodium (HPS). Enabling expansion and execution of on-farm electrical generation like the ones currently utilized will reinforce our abilities to grow, package and make available sustainably grown, nutritious and affordable food for Ontario.

We look forward to collaborating further with the IESO and other stakeholders as the LT1 RFQ process continues to become more defined.

A handwritten signature in blue ink, appearing to read "George Gilvesy".

George Gilvesy  
Chair  
Ontario Greenhouse Vegetable Growers

A handwritten signature in blue ink, appearing to read "Joseph Sbrocchi".

Joseph Sbrocchi  
Executive Director and General Manager  
Ontario Greenhouse Vegetable Growers



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