

# Feedback Form

## Long-Term RFP – March 28, 2023

### Feedback Provided by:

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Date: April 11, 2023

Following the March 28<sup>th</sup> public webinar on the Long-Term RFP (LT1 RFP), the Independent Electricity System Operator (IESO) is seeking feedback from participants on design of the LT1 RFP and LT1 Contract.

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

**Please provide feedback by April 11, 2023 to [engagement@ieso.ca](mailto: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.

## LT1 RFP Design and Lessons Learned from E-LT1 RFP

Topic	Feedback
<p>E-LT1 RFP: Please provide any general feedback reflecting on your participation in the E-LT1 RFP as it relates to the upcoming LT1 RFP.</p>	<p>n/a</p>
<p>LT1 RFP design: Please provide any feedback on the proposed Mandatory Requirement for Municipal Support.</p>	<p>ESC supports continued engagement with Ontario municipalities with respect to the development of electricity infrastructure to meet growing system needs.</p> <p>We suggest that the process should be as streamlined and straightforward for municipal engagements:</p> <ol style="list-style-type: none"> <li>1 – Providing firm timelines within the RFP process to ensure municipalities are aware of requirements and deadlines</li> <li>2 – Continue to enable options for “blanket support resolutions” and provide streamlined process for “renewing” support resolutions issued via the E-LT1 RFP process.</li> </ol>
<p>LT1 RFP design: Please provide any feedback on the Rated Criteria Categories and Point Allocation.</p>	<p>ESC has previously recommended that weight be given to those technologies that are non-emitting. Given the incoming Federal Clean Electricity Regulations and Net Zero 2035 targets, not to mention Ontario’s own GHG reduction goals, ESC submits that all IESO procurements include rated criteria in pursuit of those objectives.</p>

## Indigenous Community Participation

Topic	Feedback
<p>Please provide any feedback on the Rated Criteria for Indigenous Community Participation as contemplated in the E-LT1 RFP as it relates to the upcoming LT1 RFP.</p>	<p>ESC continues to be supportive of Indigenous community participation in energy infrastructure projects.</p> <p>ESC notes it can be challenging to sign a final, binding partnership agreement with any partner prior to the proposal submission deadline.</p> <p>ESC recommends that the LT1 RFP either:</p> <ol style="list-style-type: none"> <li>1. Treat Indigenous Participation as a price adder after contract award, to be applied when a binding contract is executed, including at COD, or</li> <li>2. Require only a Letter of Intent be signed, partners and the intended equity stake listed, and evidence of regular meetings and discussions between the partners be provided.</li> </ol> <p>Either option would allow the partners the flexibility needed to act in commercially reasonable ways, while still ensuring credible partnerships qualify for the credit under the process. We believe this approach would also allow for increased participation by Indigenous communities in the longer term.</p>

## Proposed Contract Design: General Feedback

Topic	Feedback
<p>Please provide feedback on any contract provisions you wish to comment on.</p> <p><i>Note: the commercial structure/ revenue model for the LT1 Contract will not be modified from that which was used under the E-LT1 Contract.</i></p>	<p>ESC recommends the IESO remain receptive, within a reasonable timeframe, to the possibility of changes to the commercial structure and revenue model based on results of the E-LT1 RFP. In our November 14, 2022 submission to the IESO, we supported the Consortium’s recommendations, including: “Going forward with the subsequent procurement initiatives, IESO should be open-minded to alternate contract payment models based on learnings from the present E-LT1 RFP and Contract stakeholder engagement.”</p> <p>We believe that the IESO does have a limited period within its current schedule to revise the commercial structure and revenue model, provided it moved expediently to do so. ESC does not support further delays in the IESO’s schedule; however, we do support targeted,</p>

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	detailed review of options if it can be completed within the existing timetable to provide certainty to investors.

## General Comments/Feedback

In addition, the comments above, ESC offers the following for consideration:

- The IESO should confirm that the LT1 RFP will enable Hybrid facilities (i.e., generation plus storage) per the Hybrid Integration Project. Additionally, the IESO should confirm how incremental MW from hybrid storage facilities are accounted for within the procurement targets (i.e., is the “storage target” just for incremental stand-alone storage?)
- ESC is supportive of a streamlined process that allows unsuccessful E-LT1 RFP projects to rebid in the LT1 RFP process
- ESC encourages the IESO to complete the Preliminary Deliverability test earlier in 2023 to provide greater time between the conclusion of the Preliminary Deliverability test and the submission of proposals. However, ESC does not support a lengthier process overall.
- The IESO should provide guidance as soon as possible to the stakeholder community with respect to locational needs and rated criteria points to signal to the market where to prioritize development opportunities.
- We encourage IESO to review the index being used in proponents’ bids and whether it requires to be updated/revised from the E-LT1 process.

Overall, ESC is excited to move forward with the LT1 RFP, and in particular the significant opportunity to procure new energy storage resources. We look forward to the next steps of this engagement.