Feedback and IESO Response – June 18, 2025

Transmitter Selection Framework

Following the Transmitter Selection Framework Public and Focused Engagement Session webinars, the IESO invited Indigenous communities, municipalities, and stakeholders to provide comments and feedback on the materials presented at each session.

The IESO received written feedback submissions from:

Qualified Transmitter Registry Engagement Session – January 22, 2025

- PUC Transmission
- Essex Power Corporation
- Fortis Ontario
- Grid Reliability Consulting
- Hydro One Networks Inc.
- Invenergy
- Matawa First Nations Management

Draft Registry Program Rules Engagement Session – April 22, 2025

- Fortis Ontario
- Garden River First Nation
- Hydro One Networks Inc.
- Invenergy
- Missanabie Cree First Nation
- Ontario Power Generation
- Ontario Waterpower Association



- PUC Transmission
- Transmission Investment

The presentation materials and stakeholder and Indigenous community feedback submissions have been posted on the IESO <u>engagement webpage</u> for these engagement sessions. Please reference the material for specific feedback as the below information provides excerpts and/or summaries only.

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Qualified Transmitter Registry – January 22, 2025

1. Purpose of Registry, Design Categories, and Evaluation Criteria Summary of Feedback **IESO Responses** Stakeholders acknowledged that the Registry The Registry is intended to provide a flexible precaptures the core categories—experience, qualification process to identify and assess minimum technical, financial, and regulatory—but noted technical capabilities, financial capacity, and relevant experience of prospective TSF proponents ahead of critical gaps that may restrict competition and the identification of a TSF project or the disadvantage new entrants. Several respondents emphasized the importance of commencement of a TSF procurement. recognizing decentralized corporate structures, The Registry will provide a greater degree of where subsidiaries and affiliates may draw on flexibility and a less onerous process for collective expertise, capital, and governance transmitters/applicants than a typical Request for from a parent company. Without this Qualification process, while supporting competition recognition, the Registry could limit and ensuring prospective TSF proponents meet participation from capable entities and hinder minimum requirements for experience and financial broader market development. There was also capacity required to undertake new transmission concern that Indigenous partnerships may face investment in Ontario. additional barriers, as newly formed joint ventures would need to qualify from scratch. The IESO recognizes the value of experience demonstrated by existing Ontario transmitters and Some suggested including Ontario-specific has revised the proposed Registry design accordingly experience as a formal evaluation criterion to

1. Purpose of Registry, Design Categories, and Evaluation Criteria

Summary of Feedback

reflect local knowledge and regulatory familiarity. While a few stakeholders agreed the design categories were appropriate, one recommended introducing criteria to demonstrate meaningful "skin in the game" from proponents.

Others proposed requiring proof of Indigenous engagement, enhanced workforce capacity, and higher financial qualifications. One stakeholder cautioned that qualifications should not be so narrow as to require identical past projects, as this could exclude qualified developers advancing innovative or regionally unique transmission solutions.

Concerns were raised about the tangible net worth threshold of \$200 million, which could exclude new partnerships or privately held companies. Some respondents advocated for team-based qualifications, suggesting that if one entity in a joint venture meets the financial or experience criteria, the whole team should qualify. Clarification was requested on the designation of the five key team members specifically, that this should apply to operational personnel rather than board members. There was also support for ensuring continuity of team members listed in Registry submissions to maintain accountability. Others pointed to other markets, such as MISO, where a range of proof points, including detailed plans and audited financial statements, are accepted to demonstrate project readiness.

Stakeholders generally supported the open submission window and agreed it offers helpful flexibility to applicants. Several stated that, if the previously raised issues around eligibility and inclusivity are addressed, the open window could improve fairness and efficiency. It was seen as a positive step toward encouraging

IESO Responses

(i.e. existing Ontario transmitters can utilize a streamlined method for registering).

The IESO has also made changes to the Registry program rules to recognize the experience of a prospective registrant's affiliate organization, and to remove requirements for team member experience.

The IESO understands the importance of experience working and engaging with Indigenous communities. All requirements related to Indigenous engagement and participation will occur at the RFP stage, rather than within the Registry. This should enable new-to-Ontario transmitters to meet Registry requirements, while ensuring proponents engage and partner with Indigenous communities in respect of specific TSF projects.

The IESO is satisfied that the TSF Registry strikes an appropriate balance between stringency of requirements and supporting competition.

The IESO remains open to refining the Registry process following the initial registration cycle and launch of the first TSF procurement(s), based on lessons learned and best practices from other jurisdictions.

1. Purpose of Registry, Design Categories, and Evaluation Criteria	
Summary of Feedback	IESO Responses
broader participation and enabling proponents to better showcase their qualifications. One respondent added that combining this flexibility with a more holistic evaluation process would attract more qualified bids and strengthen project outcomes.	

2. Effectiveness of the Registry in Promoting Competition, and Opportunities for Qualified Transmitters and Developers to Participate

Summary of Feedback

Stakeholders expressed concern that the experience and financial requirements in the Registry disproportionately favour incumbent transmitters and restrict participation by new entrants, joint ventures, and Indigenous partnerships.

Requirements such as having completed two 200kV+ transmission projects over 50km and minimum staffing/executive experience were seen as rigid barriers that disqualify capable but less-established entities. Several respondents argued that the Registry should consider the collective capability of corporate groups and allow the experience of one party in a joint venture to satisfy qualification criteria. While one respondent stated that most qualified parties would partner to meet requirements, others noted that the narrow thresholds exclude new players, especially where partnerships with Indigenous communities are involved. A few stakeholders proposed reducing the distance threshold for qualifying projects or

IESO Responses

The Registry is intended to support competition and ensure prospective TSF proponents meet minimum requirements for experience and financial capacity required to undertake new transmission investment in Ontario.

The IESO recognizes the value of experience demonstrated by existing Ontario transmitters and has revised the proposed Registry design accordingly (i.e. existing Ontario transmitters can utilize a streamlined method for registering). The IESO has also made changes to the Registry design and program rules to recognize the experience of a prospective registrant's affiliate organization.

In addition, requirements for Qualifying Projects for Registry applicants have been revised to encourage broader participation – including reducing minimum project distances (from 50km to 30km) and extending the qualifying date which projects have reached in-service (from within the past 15 years to within the past 20 years).

As with other aspects of the Registry and broader TSF design, the IESO is seeking to strike the right

broadening definitions of financial capability to increase inclusivity.

. Recommendations included lowering thresholds for project size (e.g., allowing projects under 200kV or 50km), shortening lead time eligibility to three or four years, and creating alternative pathways for newer proponents. Some proposed establishing a separate pool for smaller projects to support local Ontario-based transmitters. Others encouraged the IESO to adopt approaches from other jurisdictions that allow more diverse forms of participation. One stakeholder guestioned whether the current criteria would truly result in competitive project delivery and suggested requiring proponents to demonstrate competitive procurement and Indigenous partnership practices. Another stakeholder emphasized the risk of Ontario losing proponents to other jurisdictions with more inclusive frameworks.

balance to ensure entities with a minimum level of experience are participating in TSF procurements while supporting competition and diverse participation.

3. General Comments and Feedback

Summary of Feedback

Several stakeholders and communities suggested adjustments to eligibility requirements to lower barriers for Ontario transmitters, including recognizing related experience within partnerships and adopting tiered financial requirements. It was proposed that Ontario-licensed transmitters be automatically qualified, given their existing OEB approval.

Others urged the IESO to revise the Registry to support Indigenous equity participation, noting that the framework is currently industry-focused and lacks appropriate mechanisms for First Nation-led ownership. Feedback also referenced the broader policy context, including

IESO Responses

The IESO recognizes the value of experience demonstrated by existing Ontario transmitters and has revised the proposed Registry design accordingly (i.e. existing Ontario transmitters can utilize a streamlined method for registering).

The IESO understands the importance of experience working and engaging with Indigenous communities. All requirements related to Indigenous engagement and participation will occur at the RFP stage, rather than within the Registry. This should enable new-to-Ontario transmitters to meet Registry requirements, while ensuring proponents engage and partner with Indigenous communities in respect of specific TSF projects.

Ontario's move toward Integrated Energy Plans, calling for meaningful Indigenous engagement and inclusion. Stakeholders and communities reiterated that successful transmission development depends on Indigenous partnerships, local expertise, and robust yet inclusive qualification frameworks.

The IESO acknowledges that new transmission projects may have an impact on First Nation and Métis community rights and interests and remains supportive of ensuring the TSF design reflects the need for proponents to undertake early and frequent engagement with potentially impacted communities with respect to TSF procurements and RFP proposals.

The IESO also remains open to meeting with Indigenous communities on a 1-on-1 basis to discuss the RFP design and to solicit their input and feedback. Similar to the current process for transmission development, the IESO expects the government's regulatory processes, including the environmental assessment, to be the primary vehicle for fulfilling the Crown's duty to consult with respect to TSF projects.

Draft Registry Program Rules – April 22, 2025

1. Registry Process and Qualification Requirements

Summary of Feedback

Stakeholders suggested that the draft rules should be revised to better account for decentralized corporate structures by allowing applicants to leverage the experience and qualifications of parent, subsidiary, or affiliate entities. They proposed expanding relevant sections of the rules to reflect this broader scope and revising the definition of "Control" to include contractual arrangements, such as shareholder agreements, which may grant decision-making authority even without majority ownership. Others expressed uncertainty over whether the current rules would deliver customer value and recommended strengthening the criteria by requiring evidence of competitive delivery practices and Indigenous procurement

IESO Responses

The IESO recognizes the value of experience demonstrated by existing Ontario transmitters and has revised the proposed Registry design accordingly (i.e. existing Ontario transmitters can utilize a streamlined method for registering). The IESO has also made changes to the Registry design and program rules to recognize the experience of a prospective registrant's affiliate organization.

As with other aspects of the Registry and broader TSF design, the IESO is seeking to strike the right balance to ensure sufficient qualification while supporting competition and diverse participation.

With respect to credit rating requirements, a credit rating is required to be submitted if one is available/has been received by the applicant organization; however, in the event that a credit

commitments. There was support for recent updates, such as expanding the experience window to 20 years and reducing the project distance threshold, and appreciation for the streamlined qualification path for existing Ontario transmitters. Additional suggestions included focusing less on project location and more on technical capability for non-Ontario transmitters, and allowing proponents to demonstrate experience in specific project phases with a plan to cover other required functions.

Stakeholders and communities generally did not express significant concerns with the application or renewal process. One noted no issues with the current approach, while another supported an alternative process tailored to existing Ontario transmitters. One stakeholder recommended extending the renewal period to four years, pointing out that similar processes in other jurisdictions have longer timelines. There was appreciation for the added flexibility introduced through rolling submission windows, and a request for continued clarity on renewal documentation to minimize administrative burdens.

Stakeholders identified other potential barriers to participation, including a concern about whether a credit rating is a mandatory requirement, which could exclude private companies from participating. Additional feedback questioned whether access to infrastructure owned by incumbents, such as Hydro One, could present competitive disadvantages or lead to undue charges for new entrants when projects intersect.

rating has not been provided to the applicant organization, it is not grounds for disqualification.

The initial term for registration under the Registry will be for 2 years following the close of the initial registration period. The IESO may adjust the Registry term length in the future, following the initial registration period.

2. Indigenous Participation and Exclusivity Provisions

Summary of Feedback

Several stakeholders and communities recommended that the provisions be clarified to support Indigenous equity participation. One suggestion was to explicitly state that proponents must hold at least 45% of the economic interest, with the remainder held by Indigenous communities, to ensure alignment with the program's intent. Some stakeholders felt the current provisions were unclear, particularly in scenarios where an Indigenous community wishes to lead a project and partner with an operator of their choice. They emphasized the need to confirm that such arrangements would be permitted to avoid inadvertently restricting Indigenous-led proposals. Others expressed general support for the provisions, provided proper consultation is conducted and Indigenous concerns are addressed. There was also positive feedback noting that the updated rules promote Indigenous autonomy and discourage exclusivity arrangements that could limit partnership opportunities.

Some questioned how the TSF would apply in cases involving government co-planning commitments with Indigenous communities, especially when development timelines are already underway, and asked for clarity on how such scenarios would be treated under TSF rules.

IESO Responses

Non-exclusivity requirements pertain to TSF Registry registrants, not to Indigenous communities. Indigenous communities remain able to partner or work with any party or potential TSF proponent that they so choose. The restrictions on exclusivity arrangements are applied to the TSF registrant in respect of a TSF project, meaning that TSF registrants must agree not to prohibit Indigenous communities from engaging with other registrants/proponents in respect of a TSF project or TSF RFP proposal.

The IESO understands the importance of experience working and engaging with Indigenous communities. All requirements related to Indigenous engagement and participation will occur at the RFP stage, rather than within the Registry. This should enable new-to-Ontario transmitters to meet Registry requirements, while ensuring proponents engage and partner with Indigenous communities in respect of specific TSF projects.

As the IESO continues to consider Indigenous participation within the TSF process and individual TSF projects, engagements with Indigenous communities and organizations will continue.

3. General Comments and Feedback

Summary of Feedback

Stakeholders provided a range of additional feedback. There was a recommendation to include eligibility for 115 kV projects in the TSF to help meet growing electricity demand and support broader participation by existing transmitters.

Stakeholders and communities expressed no objections to the registration fee. Some had no comment, while others supported a fee structure that aligns with Ontario Energy Board processes to avoid duplication or excessive charges. One respondent noted that a fee is reasonable if it is part of the overall approval and documentation.

Stakeholders provided detailed technical recommendations to refine the Registry Rules, including proposed edits to multiple sections to allow affiliate qualifications, recognize control through contractual rights, and require Indigenous consultation as part of qualifying project experience. They also recommended raising the minimum net worth requirement from \$200 million to \$500 million to ensure proponents have the financial capacity to manage large, complex transmission projects and protect ratepayers from project risk. Broader comments raised concerns about whether the TSF will accelerate enabling infrastructure and questioned the criteria and decision-making authority for determining when a project is suitable for TSF.

IESO Responses

With respect to identifying the initial project(s) to be procured through the TSF, the IESO will leverage the criteria previously engaged on, including requirements that the project be greater than 115 kV. The IESO also acknowledges the need to ensure critical transmission infrastructure development is not delayed by the TSF, which is why the IESO has proposed the initial TSF project(s) have sufficient lead-times to support a competitive procurement process.

The Registry will not require submission of a fee for applicants seeking to register in the initial registration window. Subsequent registration windows may involve a fee, subject to OEB approval.

Though the IESO notes that some respondents believe that the Registry requirements should be expanded with higher eligibility thresholds, as previously stated, the Registry design is seeking the right balance to ensure a minimum level of experience while supporting competition and diverse participation