Feedback Form

# Transmitter Selection Framework (TSF) - October 15, 2025

The IESO is developing the Transmitter Selection Framework (TSF) to support transparent, competitive transmission procurement. Your feedback will help shape the commercial terms for future procurements.



Following the Transmitter Selection Framework engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed. The presentation and recording can be accessed from the [Transmitter Selection Framework](https://ieso.ca/Sector-Participants/Engagement-Initiatives/Engagements/Transmitter-Selection-Framework).

**Note:** The IESO will accept additional materials where it may be required to support your rationale provided below. When sending additional materials please indicate if they are confidential.

### **Please submit feedback to** engagement@ieso.ca **by October 29.**

### Feedback Provided by:

Name:

Title:

Organization:

Email:

Date:

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| Term | IESO Proposal for Stakeholder Feedback | Feedback Questions | Stakeholder Feedback responses |
| Overview of Obligations | The TSF will establish a competitive request for proposals (“**RFP**”) process for the selection of a transmitter (“**Transmitter**”) by the Independent Electricity System Operator (“**IESO**”), to own, develop, finance, design, engineer, construct, operate and maintain a network transmission facility (“**Facility**”) in accordance with good engineering and operating practices (to be defined consistent IESO contracting convention), *market rules*, the transmission system code and all other applicable laws. |  |  |
| Project Scope and Technical Parameters: | The Facility must satisfy the specifications established by the RFP (“**Specifications**”), including: 1. Facility description, location, and interconnection points
2. Estimated line length (subject to route finalization)
3. Nominal Voltage design voltage
4. Line ratings (A or MW), continuous and time limited
5. Design features or constraints (e.g. Single, double circuit, tower type/height, other design constraints)
6. Performance requirements and specifications such as availability and capacity testing requirements
 | 1. Are there any additional Specifications IESO should set out in the RFP to facilitate proponent bid preparation?
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| Proposal | 1. **Project Management Plan**:
2. **Economic Bid:** A Proponent’s proposal responding to the RFP (“**Proposal**”) will include 10 annual revenue requirements (each an “**ARR**”) (constant or downward trending).
3. **Project Schedule and Milestones:** Proponents will be asked to submit a preliminary project schedule as part of their bid, to inform contractual milestones (discussed below).
4. Preliminary Engineering Design and indicative routing
5. Lifetime O&M and Safety Plan
6. Permitting and Land Rights Plan
7. **Indigenous Engagement and Participation Plan (IEPP):** Proponents will be required to submit an IEPP setting out their experience engaging with and partnering with Indigenous communities, their plan for doing so in respect of the project, and any economic participation commitments.
 | 1. What information do you need from the IESO to prepare the ARRs?
2. What challenges do you foresee in establishing the ARRs?
3. What challenges do you anticipate with establishing a preliminary project schedule at proposal submission stage?
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| Transmission Facilities Agreement | 1. The Transmitter and the IESO will enter into a Transmission Facilities Agreement (“**TFA**”), which will calculate the amounts payable to the Transmitter, based on the ARR, subject to contractual adjustments (TBD, discussed below). Payments will reflect the ARRs submitted in the proposal and be made from the commercial operation date (“**COD**”) until the tenth (10th) anniversary of the COD, unless terminated sooner.
2. The TFA will include key milestone dates, including for Notice to Proceed and MCOD.
 | 1. Do you foresee any challenges obtaining financing if payments under the contract do not start until COD?
2. What early development milestone, aside from the Notice to Proceed, can demonstrate the Transmitter’s readiness for construction, provide the IESO with assurance, and indicate that the project is progressing according to plan?
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| Contractual Adjustments  | IESO is considering allowing limited adjustments to the revenue requirement and/or contractual milestones as a result of:1. **Inflation**: adjustment to all or part of the ARR based on change (increase or decrease) in inflation index over the period.
2. **Operation**: which could include adjustments based on failure to meet performance requirements (see below)
3. Certain events outside of the transmitter’s control.
 | 1. What strategies should IESO use within the RFP and contract to promote cost certainty and cost containment?
2. What percentage of ongoing O&M costs should be subject to inflation? Indices to be defined in the contract terms.
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| Commercial Operation Date (COD)  | Proponent will submit a COD report and supporting documents, including but not limited to a report from a Professional Engineer licensed in Ontario, confirming that the Facility has been constructed in a manner that satisfies the Specifications, and is energized and the full capacity of the Facility is available for service (full contract capacity for 4 continuous hours) in accordance with applicable laws.  |  |  |
| Performance Requirements | Transmitters will be required to maintain availability of line, which could be in terms of outages or contract capacity. Where availability is less than the contractually defined threshold, an availability payment reduction factor will apply. The contract would also set out certain circumstances where a reduction of availability results in an event of default. | 1. Do you foresee any challenges in meeting availability requirements?
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| Post IESO Contract | Transmitters submit a traditional revenue requirement application to the OEB for Year 11. Transmitters will be required to share details of their Year 11 application with the IESO.IESO is considering applying a cap on the transmitter’s Year 11 revenue requirement submitted to the OEB (i.e. must be within [X]% of the Year 10 requirement). | 1. Are there any challenges with a cap on the Year 11 revenue requirement?
2. Would implementing a glide path (gradual transition) for revenue requirements, rather than a hard cap at year 11, result in a smoother transition not rate regulation?
3. Do you foresee any other issues arising in the transition from the contract to a rate regulated asset?
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| IEPP and Reporting  | The contract will contain requirements to deliver on the commitments made in the transmitter’s IEPP submitted at the proposal stage. This is to be the subject of a future engagement session.  |  |  |

General Comments/Feedback