

Feedback Form

Transmitter Selection Framework – January 28, 2026

Feedback Provided by:

Name: Brigid Rowan

Title: Senior Economist, Econalysis Consulting Services

Organization: On behalf of the Power Workers' Union (PWU)

Email: [REDACTED]

Date: February 18, 2026

To promote transparency, feedback submitted will be posted on the TSF engagement page unless otherwise requested by the sender.

- Yes – there is confidential information, do not post**
 No – comfortable to publish to the IESO web page

Following the Transmitter Selection Framework (January 28, 2026), 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 engagement webpage](#).

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 February 18, 2026.

Experience Requirements:

- 1. How should the IESO define and evaluate relevant project “experience” for the purposes of qualifying proponents for the RFP?
- 2. How should the IESO define and assess meaningful “experience” in engaging and working with Indigenous communities?
- 3. Should either form of experience be assessed at the corporate level, the project team level etc...?
- 4. Are there specific types of experience, qualifications, or evidence that should be required or weighted more heavily in the RFP evaluation?

Please see General Comments below for an explanation of the PWU’s position that it strongly disagrees with undertaking a competitive procurement process for the TTL. While we support the objectives of the TSF, the TTL is not a suitable pilot project for a framework that has never been used for real-world competitive transmitter selection. The General Comments also explain why the PWU supports the designation of Hydro One as the transmitter for the TTL.

The feedback in the current document is largely based on the PWU’s February 21, 2026 submission (the Submission) to the Ontario Ministry of Energy and Mines (the Ministry) regarding the Proposal for Advancing Critical Transmission Expansion in the Toronto Area (ERO) 026-0019 (the Proposal). The PWU’s submission will be posted publicly.

See also General Comments (and fn 1) regarding lessons learned from the East-West tie process. Considering the lessons learned from this project, the PWU suggests that both mandatory and rated evaluation criteria could be used. These criteria and their weighting should be clearly disclosed in the RFP.

If the Ministry disagrees with our position in the Submission that the TTL should not be a pilot for the TSF, the PWU’s feedback on Experience Requirements for a competitive procurement is as follows:

- 1. In the Ministry of Energy and Mines (the Ministry) regarding the Proposal for Advancing Critical Transmission Expansion in the Toronto Area (ERO) 026-0019, the Ministry suggests that the RFP be limited to applicants demonstrating experience with underwater transmission lines, as well as applicants experienced in engaging and working with Indigenous communities in Canada. The PWU generally agrees with these restrictions on eligibility.

The PWU also suggests that the RFP be limited

to: (a) a transmitter with local GTA- and Ontario-experience because the TTL is an urban infrastructure project built within Hydro One’s system; and (b) Canadian (preferably Ontario) transmitters given the importance of supporting Ontario workers and nurturing our domestic supply chain at this pivotal moment in Ontario and Canadian history (and in the context of the Buy Ontario Act).

In its Proposal, the Ministry suggested that underwater transmission experience “may be demonstrated through partnerships or other arrangements with transmitters that possess this experience.” Given that very few transmitters in Canada have underwater HVDC experience, the PWU recommends that this particular experience could be demonstrated through a partner or contractor. However, the PWU cautions that the lead proponent should be a major player with relevant underwater and underground transmission experience, which could be supplemented by Canadian partner(s)/contractor(s) (transmitters or transmission service providers) with specific underwater HVDC experience.

In other words, the PWU believes that the proponent should have sufficient relevant experience with the key evaluation criteria at the corporate level, and be able to supplement this experience (particularly underwater HVDC experience) through partners/contractors.

2. The definition and assessment of meaningful “experience” in engaging and working with Indigenous communities is challenging. The PWU does not believe that an out-of-province or non-Canadian transmitter could easily provide the requisite meaningful experience simply by hiring an Indigenous Relations consultant. Regarding Indigenous participation, the Ministry’s Proposal also outlined proposed requirements on the evaluation criteria to ensure Indigenous

participation including (a) a plan for how the applicant would engage with Indigenous communities and support their capacity to be consulted and participate in the project; and (b) offers for Indigenous economic participation in the project, which could include but is not limited to equity participation, supply chain opportunities, training, and employment opportunities. The PWU generally agrees with these criteria.

As with the case of underwater transmission experience, the PWU believes that the proponent should have sufficient relevant experience with the key evaluation criteria at the corporate level, and be able to supplement this experience through partnerships (with organizations that possess this experience).¹

3. As indicated above, relevant experience should be assessed both at the corporate level and at the level of the partners/contractors and organizations, which could supplement the experience.
4. Experience, qualifications, or evidence that should be required or weighted more heavily in the RFP evaluation:

As indicated in Response 1, the PWU generally agrees with the restrictions suggested by the Ministry: that the RFP be limited to applicants demonstrating experience with underwater transmission lines, as well as applicants experienced in engaging and working with Indigenous communities in Canada. As indicated above, the PWU believes that the proponent should have sufficient relevant experience with the key evaluation criteria at the corporate level, and be able to supplement this experience through partnerships/contractors/other organizations.

The PWU also suggests that the RFP be limited to: (a) a transmitter with local GTA- and Ontario-experience because the TTL is an urban

¹ According to our February 21, 2026 Submission to the Ministry:

Hydro One already has an established record of engaging with Ontario Indigenous communities and supporting their capacity to be consulted and meaningfully participate in transmission projects. Moreover, as explained in Section 2, Hydro One supports Indigenous participation through equity ownership, including its publicly stated 50-50 First Nation Equity Partnership Model for new large-scale transmission projects in Ontario. The designation of Hydro One as the transmitter for project would allow this model to be applied to one of the province's most significant transmission projects, enabling meaningful Indigenous ownership from the outset.

Hydro One also has an Indigenous Relations Policy, which includes equity participation (the 50-50 model), procurement (i.e. supply chain opportunities), community investment, employment and energy programs. Hydro One also supports apprenticeship and skilled-trades training for Indigenous candidates. The transmitter works with Indigenous communities and organizations to promote careers in the electricity sector.

As elaborated in Section 2, in contrast, **an out-of-province or non-Canadian transmitter would need to develop comparable Ontario-specific partnership structures and relationships in parallel for this system-critical, time-sensitive, complex and large-scale project. This does not imply other transmitters cannot deliver strong Indigenous partnerships; rather, Hydro One's established model reduces transaction costs and schedule risk for achieving meaningful Indigenous engagement, consultation and participation. For the TTL, a highly consequential project embedded in Hydro One's system, designating Hydro One as the transmitter (with specialized partners as needed) is the lower-risk path to delivering meaningful Indigenous ownership on a credible and proven platform.**

infrastructure project built within Hydro One's system; and (b) Canadian (preferably Ontario) transmitters given the importance of supporting Ontario workers and nurturing our domestic supply chain at this pivotal moment in Ontario and Canadian history (and in the context of the Buy Ontario Act).

In addition to experience engaging with Ontario Indigenous communities, the PWU recommends that additional weight be given to specific commitments to source Ontario and Canadian equipment and services, and to hire Ontario workers, especially skilled union workers. Similar to the Indigenous Participation Plan, the PWU recommends that the applicant be required to provide a Buy Ontario Plan, a viable plan to support Ontario supply procurement and Ontario labour (especially union labour). Skilled Ontario union labour should be hired for both operational and capital expenditures for the TTL. In the case where Ontario/Canadian providers are not available/feasible for certain capital expenditures (e.g. specialized underwater cable installation), the PWU emphasizes that as much Ontario union labour should be hired as possible on capital expenditure projects (a) to increase local Ontario content, and (b) to build expertise and staffing that will be required for the subsequent operations.

Toronto Third Line Commercial Framework:

1. How prescriptive are technical requirements expected to be to build the project scope at this stage? How can the IESO balance opportunities for flexibility as opposed to providing prescriptive requirements for the project?
2. Which activities are expected to involve risk that is not readily manageable by the proponent?
3. What contractual mechanisms do you recommend incenting schedule adherence?

1. By limiting the RFP to major Canadian transmitters with Ontario transmission experience (as described above), the IESO can be somewhat less prescriptive with technical requirements at this stage. More prescriptive technical requirements are necessary if the RFP is less restrictive and there is more opportunity for aggressive bidding of less experienced parties, which will increase the risks of cost overruns, delays and renegotiation. The PWU strongly recommends a more restrictive RFP to reduce these risks. As we have repeated stated, the designation of Hydro One in our view would be the lowest risk path for this system critical project.

In developing evaluation criteria, as well as technical and regulatory requirements, the IESO should consider the lessons learned (including failures) in other recent Canadian transmission projects involving HVDC underwater components (e.g. Muskrat Falls and the Champlain Power Express). These projects are discussed in more detail our Feb 2026 Submission to the Ministry.

2. Activities involving risks not readily manageable by the Proponent include:
 - Regulatory and political shifts
 - Indigenous consultation outcomes
 - Urban siting and community concerns/opposition
 - Environmental and lakebed uncertainty
 - Global HVDC supply-chain constraints
 - System integration complexity
 - Long-term marine repair logistics, including emergency damage to underwater cables from marine traffic or anchor strikes
 - Emergency maintenance due to system-wide electricity failures.

In such circumstances, the designation of Hydro One would minimize interface complexity and preserve clear accountability within the existing transmission system, which is particularly important.

Under an RFP, these risks can be mitigated by restricting the RFP to major players, experienced in underwater transmission, with strong local GTA knowledge, with emergency plans in place and strong relations with the other stakeholders, emergency responders and levels of government. The training of skilled Ontario union labour to perform maintenance and respond to emergencies is also crucial.

3. In finalizing the requirements in the TTL procurement contract (including incentives for schedule adherence), we recommend that the IESO and OEB review the best practices (including regulatory practices) for the development and operation of complex transmission projects with underwater components, notably in Canada, and provide guidance in the procurement contract based on these best practices.

Again, the PWU urges the IESO to review the lessons learned from recent successes and failures of major transmission projects with underwater HVDC components. As discussed in the General Comments, IESO should carefully review the Muskrat Falls experience with two transmission projects involving important submarine components: the Labrador Island Link (LIL) and the Maritime Link.

One of the key reasons given for the success of the development of the Maritime Link was **rigorous and transparent regulatory oversight by the Nova Scotia Energy Board.** Lack of regulatory oversight alone cannot account for the excessive cost and timeline overruns of the LIL. The IESO should take note

	<p>that an established and experienced transmitter, with GTA- and Ontario-specific knowledge is best positioned to minimize execution and operational risks. The TTL is not the project on which to experiment with inexperienced transmitters lacking in local knowledge.</p>
<p>Evaluating Indigenous Participation within IEPP:</p> <ol style="list-style-type: none"> 1. What additional considerations are there in designing the form of the IEPP? 2. What do Indigenous communities and stakeholders think of our proposed criteria? Are there other criteria the IESO should consider? 3. If rated criteria are used, what should the relative importance be of equity participation and non-equity participation? 4. Through the design of the IEPP, how can the IESO balance early Indigenous community engagement with concerns of inundating communities with requests for engagement from prospective bidders? 	<p>N/A</p>

General Comments/Feedback

The Power Workers’ Union (PWU) will submit public comments on February 21, 2026 to the Ontario Ministry of Energy and Mines (the Ministry) regarding the Proposal for Advancing Critical Transmission Expansion in the Toronto Area (ERO) 026-0019. These comments are currently being finalized. The 14-page submission is a more complete and coherent statement of our position than the answers above. In the event of any inconsistency between the feedback to the IESO in this document and the detailed February 21, 2026 submission to the Ministry, the submission to the Ministry shall prevail and should be regarded as the PWU’s authoritative position at this time.

As stated by the PWU in its draft February 2026 submission to Ministry on the TTL:

The PWU **strongly disagrees** with the proposal to direct the IESO to undertake a competitive procurement process and enter into a contract with a transmitter to develop and construct the TTL. While we support the objectives of the Transmitter Selection Framework

(TSF), the TTL is not a suitable pilot project for a framework that has never been used for real-world competitive transmitter selection.

Because the TTL is not suitable for a competitive procurement, the PWU strongly supports designation of Hydro One as the transmitter for Toronto's Third Line (TTL) for the reasons [...] elaborated on in this section: (a) the consequentiality, urgency and scale of the project; (b) the complexity of the TTL which will operate within Hydro One's network; (c) the importance of supporting Ontario workers and nurturing our domestic supply chain at this pivotal moment in Ontario and Canadian history.

[...]

For all reasons above, PWU supports Hydro One as the designated transmitter for the TTL:

1. The TTL is a system-critical, large-scale, and urgent project delivering load to Canada's largest city and the province's largest load centre. Prudent risk management (for schedule, interface and costs) dictates the selection of Hydro One, an incumbent transmitter, with a proven track record of delivering quality transmission projects.
2. The designation of Hydro One would considerably reduce the complexity associated with this challenging project by simplifying integration of the TTL into the existing transmission system. Hydro One's designation would also provide single-operator accountability for reliability of Toronto's transmission system and enhance system protection and control. Hydro One also has local knowledge and experience in the GTA and is better equipped to manage the urban development challenges described above.
3. The designation of Hydro One as the transmitter for TTL would support both Ontario labour and supply procurement in Ontario.

While we support the objectives of the TSF, the TTL is not a suitable pilot project for a framework that has never been used for real-world competitive transmitter selection. Using an untested procurement framework on such a large, complex and consequential project amplifies process risk, schedule risk and interface risk. Large complex projects like the TTL tend to have uncertain costs (e.g. \$1.5 billion Class 5 "exploratory" estimate), require extensive stakeholder engagement and benefit from strong local knowledge and ease of local system integration. Competitive procurement from the TSF can encourage aggressive bids, create the risk of under-scoped or under-priced proposals that then lead to later renegotiation and/or cost escalation.

While competitive transmission procurement can deliver cost discipline and innovation, it is unusual to launch a new framework on one of the system's most consequential reliability projects. In many jurisdictions (e.g. US, UK, Australia) new competitive frameworks are first tested on smaller projects or less time-critical projects, and/or greenfield lines in lower-risk or remote corridors. The PWU would recommend that the TSF be tested on a smaller, less consequential and complex project in a more remote area. It could then be expanded to larger backbone transmission projects. This approach can build institutional experience and reveal design flaws in the real world with a lower risk of failure.

Using the TTL as the inaugural TSF procurement increases execution and operational risk at a time when the GTA is facing rapidly growing electricity demand. A staged rollout, starting with less-time critical and smaller and/or greenfield projects, would reduce risks while still advancing a competitive model.

If the Ministry disagrees with the PWU's position and decides to proceed with a competitive procurement for the TTL, the PWU recommends that the IESO carefully review the lessons learned from Ontario's only other competitive process to select a transmitter (the East-West Tie Line (EB-2011-0140)) in 2012-2013. This is particularly helpful for IESO in the establishment of mandatory versus rated evaluation criteria, which was problematic in that process.² In the case of the TTL, the PWU believes that both mandatory and rated criteria could be used as evaluation criteria.

The PWU also suggests that the IESO carefully review the lessons learned from the Muskrat Falls experience with two transmission projects involving important submarine components: the Labrador Island Link (LIL) and the Maritime Link. While the Maritime Link was completed on time without significant cost overruns, the LIL was delayed for years and over \$1.5 billion overbudget. These cases are discussed in more detail in the PWU's February submission to the Ontario Ministry of Energy and Mines regarding the Proposal for Advancing Critical Transmission Expansion in the Toronto Area (ERO) 026-0019.

² See "Ontario moves ahead on subsea Toronto Third Line," Vellone, John A.D. et al, BLG, January 29, 2026.

<https://www.blg.com/en/insights/2026/01/ontario-moves-ahead-on-subsea-toronto-third-line>

Unfortunately, the OEB-led process suffered from several failings, including treating competitive proposals like "applications" which gave competitors discovery rights on other proposals, not clearly distinguishing between mandatory versus rated evaluation criteria (all criteria were rated, even though several would have been pass/fail mandatory requirements in most normal procurements), and not disclosing the weighting of the criteria until after the final decision (unlike a normal RFP that clearly discloses this information upfront so bidders can shape their proposals accordingly).