

## Market Renewal Program (MRP) – Feedback received on the Draft Term Sheets for Solar and Wind Contracts

The IESO requested feedback from Contract counterparties on the draft term sheets for FIT, RES and LRP solar and wind contracts (the “Contracts”) dated November 8, 2023 with feedback to be submitted by December 1, 2023. The draft term sheet updates were made based on the feedback received from Suppliers on previous versions and the market rule amendments that have been provisionally approved by the IESO Board of Directors.

Below, the IESO has provided a table that excerpts or summarizes specific feedback and questions received and provides corresponding responses. This document is provided for information purposes only. It does not constitute, nor shall it be construed to constitute, legal advice or a guarantee, offer, representation or warranty on behalf of the IESO. In the event of any conflict or inconsistency between the information contained in this document and the Market Rules, the Market Manuals, any IESO contract or any applicable legislation or regulation, the provisions of the Market Rules, Market Manuals, contract, legislation or regulation, as applicable, shall govern. This document is being provided without prejudice to any party’s rights or remedies under any contract and does not constitute an amendment or waiver of any terms or conditions of any contract.

No.	Feedback	IESO Response
1.	Are all the components from the present day calculation of the total forgone compensation being discarded and limited to "Q(X) × AICP"?	The present-day calculation of the total foregone energy quantity will remain the same and in accordance with the curtailment amendment provision. ““Qx” will continue to represent the quantity for curtailment compensation past the curtailment cap”.
2	The Supplier requires clarity on the timeline that the IESO envisions for next steps in contract amendment process in order to advise our stakeholders and for internal resource planning. IESO indicates that amendments would be "agreed to prior the publication of final or near final IESO market rules". We are still unclear about how the anticipated contract amendments will be finalized in the next 18 months, or so.	The IESO is planning to provide the first draft amending agreements for Suppliers to review by Q2 2024. The IESO will look to execute agreements within 2024, once final versions are developed based on feedback received.
3	At this late stage of the process we are still unclear about how and when the contracts with DX connected assets will be finalized. We learned at the November 20, 2023, webinar conducted by the IESO, that the Ontario Energy Board (“OEB”) will be announcing draft amendments to the RSC in Q1 of 2024. We are concerned at how late this is in the process. By the time the OEB has finalized the changes to the	The OEB has targeted to provide draft guidance documents by April 2024.  Once these guidance documents are available, the IESO will plan to engage with distribution-connected Suppliers and LDCs on the contract settlement implications.

	RSC, the various local distribution companies (“LDC”) that settle DX connected projects will have only about a year to make the changes to their settlement systems and have these changes tested. This, we fear, will be a challenging task for many LDCs.	
4	We urge the IESO to have the OEB expedite the amendments to the RSC so that LDCs have the time to procure the resources they will need to make the changes, and to plan, implement and test the changes to the LDC settlement systems. Furthermore, we urge the IESO to develop adequate contingency measures that can be implemented quickly to ensure the continuity of contract payments in the event that there is a problem with LDC settlement systems after MRP is implemented.	Please see the response to 3 above. Following the release of the draft guidance documents, the IESO plans to monitor progress made by LDCs on updates to their settlement systems.