

IESO REQUEST FOR QUALIFICATIONS
FOR THE PROCUREMENT OF LONG-TERM ELECTRICITY
RELIABILITY SERVICES
(“LT1 RFQ”)

Draft

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SECTION 1 – INTRODUCTION

1.1 Independent Electricity System Operator

The Independent Electricity System Operator (the “IESO”) works at the heart of Ontario’s power system as the system operator— directing the flow of electricity across the grid and administering the wholesale electricity market. It sets the hourly Ontario electricity price and ensures there is enough power to meet the province’s energy needs in real time. The IESO works with stakeholders and communities across the province to plan and secure energy for the future, as well as to guide conservation efforts in Ontario. The IESO has a role in planning for and competitively procuring resources that meet Ontario’s needs today and into the future. These may be met through diverse resources such as wind, solar, hydro, biomass, nuclear, natural gas, demand response, conservation, storage or other innovative technologies.

The IESO is governed by an independent board of directors that is appointed by the Government of Ontario. Its fees and license are set by the Ontario Energy Board (the “OEB”) and it operates independently of all other participants in the electricity market.

Credit ratings for the IESO have been issued by Moody’s and DBRS Morningstar. Additional information about the IESO can be obtained from www.ieso.ca.

1.2 Purpose and Background of the LT1 RFQ

After more than a decade of strong supply, Ontario is entering a period of emerging electricity system needs, driven by increasing demand, the retirement of the Pickering nuclear plant, the refurbishment of other nuclear generating units, as well as expiring contracts for existing facilities. Recognizing the necessity to address these needs in a timely, cost-effective and flexible manner, the IESO has engaged with stakeholders in the development of a Resource Adequacy Framework. As Ontario’s electricity system evolves to become more diverse and dynamic, ~~the~~ procurement ~~process~~processes must evolve along with it. The Resource Adequacy Framework presents ~~a~~ robust competitive ~~process~~processes that ~~focuses~~focus on cost-effective reliability, while more effectively balancing ratepayer and supplier risk in this changing environment.

~~One of the mechanisms outlined in the Resource Adequacy Framework, and further~~As described in the 2021~~2022~~ Annual Acquisition Report (“AAR”),published on the IESO’s website in April, 2022 (“AAR”), one of the mechanisms intended to support the IESO’s resource adequacy initiatives is a Long-Term Request for Proposals (the “LT1 RFP”), which is intended to acquire capacity services to meet system reliability needs from New Build ~~electricity~~Electricity resources starting in 2027 or earlier.

~~On January 27, 2022, the Minister of Energy issued a directive to the IESO pursuant to subsection 25.32(5) of the Electricity Act, 1998 (Ontario) (the “Ministerial Directive”) to design~~A complimentary mechanism outlined in the AAR is an expedited procurement process for New Build Electricity resources able to commit to commercial operation in 2025 (the “Expedited Process”). As set out in the AAR, the ~~LT1 RFP~~IESO is seeking to

procure ~~at least 1,000~~ approximately 2,500 MW of ~~capacity~~ Electricity reliability services (the ~~“Target Capacity”~~), primarily from New Build Electricity resources through the LT1 RFP, measured on an ~~unforced~~ effective capacity (UCAP) basis. The Expedited Process will seek to acquire a minimum of 1,000 MW of additional effective capacity.

The LT1 RFP ~~will~~, together with the Expedited Process, is expected to competitively procure ~~the~~ year-round ~~Target Capacity, on a UCAP basis~~ effective capacity from ~~New Build,~~ dispatchable New Build resources, including New Build hybrid electricity generation and storage facilities, registered or able to become registered in the IESO Administered Markets, larger than 1 MW and which can deliver a continuous amount of Electricity to a connection point on a Distribution System or Transmission System for at least four (4) consecutive hours. ~~Successful proponents will be awarded contracts for a minimum ten (10) year commitment period commencing no later than May 1st of 2027 (the “Commitment Period”)~~

The successful proponents of the LT1 RFP are expected to enter into a Long-Term Reliability Services Contract (the “LT1 Contract”) with the IESO. The LT1 Contract will be a capacity-style contract with a target term start date of May 1, 2027 and expiring fifteen (15) years after May 1, 2027. To support resources coming into service before May 1, 2027, the LT1 Contract is expected to allow for resources to come into service in 2025 and 2026. Those resources that achieve commercial operation prior to May 1st of 2027 would have a Commitment Period of more than fifteen (15) years.

The successful proponents of the Expedited Process are expected to enter into a form of contract based on the LT1 Contract, with a firm commitment to achieve commercial operation by May 1, 2025, a term expiring at least fifteen (15) years after May 1st of 2025, higher levels of performance security and certain other distinctions from the LT1 Contract.

~~In accordance with the Ministerial Directive, through~~ Through this request for qualifications (this “LT1 RFQ”), the IESO is seeking Qualification Submissions to ensure that the ~~potential~~ LT1 RFP and Expedited Process participants have sufficient experience and capabilities to participate in the LT1 RFP or the Expedited Process and successfully develop and operate resources capable of delivering long-term Electricity reliability services.

~~The successful proponents of the LT1 RFP will enter into a Long-Term Reliability Services Contract (the “LT1 Contract”) with the IESO. The LT1 Contract will be a capacity style contract with a target term start date of May 1, 2027. Resources able to reach commercial operation before the standard start date of May 1, 2027 will be able to benefit from additional term length.~~

1.3 Defined Terms

Capitalized terms used in this LT1 RFQ have the respective meanings ascribed to them in Appendix A. Terms and acronyms used in this document that are italicized have the meanings ascribed in Chapter 11 of the Market Rules available on the IESO’s website.

1.4 Participation in the LT1 RFQ

To participate in the LT1 RFQ ~~and any potential~~, the LT1 RFP, or the Expedited Process, RFQ Applicants must be willing and able to make the necessary investments to successfully develop, own, operate and maintain New Build Electricity capacity resources directly connected to a Distribution System or a Transmission System in Ontario, that are reliable and can provide dispatchable capacity services during the Commitment Period (a “**Long-Term Capacity Project**”), should they be offered an LT1 Contract following ~~any potential~~the LT1 RFP or similar contract following the Expedited Process.

This LT1 RFQ will establish Qualified Applicants for two categories of Long-Term Capacity Projects based on the nameplate capacity of potential Long-Term Capacity Projects. Each Long-Term Capacity Project will be categorized as either:

- (a) a Long-Term Capacity Project with a nameplate capacity which is equal to or above 1 MW but less than 5 MW (each a “**Small-Scale LT1 Project**”); and
- (b) a Long-Term Capacity Project with a nameplate capacity which is equal to or above 5 MW, subject to a maximum of ~~500~~600 MW (each a “**Large-Scale LT1 Project**”).

RFQ Applicants must comply with Laws and Regulations, including for greater certainty the Distribution System Code, the Transmission System Code and the Market Rules, as each may be applicable to their contemplated Large-Scale LT1 Project(s) or Small-Scale LT1 Project(s). RFQ Applicants must be aware of required approvals, including environmental approvals, which may be required prior to construction of their resources, if applicable.

RFQ Applicants are reminded of the important role that effective engagement with Indigenous communities may play in the successful planning, development and operation of their Electricity resources and must be prepared to undertake their appropriate role in such engagement and address the interests or concerns of such communities in good faith and in compliance with Laws and Regulations. RFQ Applicants are also reminded of the essential role that effective engagement with local communities, including municipalities, may play in successfully achieving all of the lifecycle phases of a project.

1.5 General Arrangements

This LT1 RFQ provides interested parties with:

- (a) the general framework of the procurement process initiated by this LT1 RFQ and a description of the types of services that the IESO wishes to procure under ~~any potential~~the LT1 RFP and Expedited Process;
- (b) the minimum experience qualifications that an RFQ Applicant or its Control Group Member, as well as the RFQ Applicant’s Designated Team

Members must meet in order to be qualified under this LT1 RFQ, and thereafter participate in ~~any potential~~ the LT1 RFP and Expedited Process; and

- (c) an opportunity to share information with the IESO about one or more Long-Term Capacity Projects that an RFQ Applicant proposes to develop, construct, finance and operate.

The Qualification Submission Deadline is set out in Section 2.2(a). Other than the submission of a Qualification Submission Fee to the IESO, no financial commitment by the RFQ Applicant is required with the delivery of a Qualification Submission. However, only those interested parties that have delivered a Qualification Submission to the IESO and that are determined to be Qualified Applicants in accordance with the criteria set out in this LT1 RFQ will be permitted to participate in the next step of the procurement process, ~~including any potential~~ of the LT1 RFP or the Expedited Process.

Interested parties should expect that ~~any~~ the LT1 RFP will require significant financial security for purposes of proposal security and performance security under any contract to be awarded under ~~any future~~ the LT1 RFP and that the Expedited Process will require higher levels of security than those required under the LT1 RFP.

1.6 No Exclusivity

The IESO is not obliged pursuant to this LT1 RFQ to deal exclusively with a single Qualified Applicant but will in all likelihood deal with one or more of the Qualified Applicants at the IESO's sole and absolute discretion. In submitting a Qualification Submission, each RFQ Applicant will be deemed to have acknowledged that the IESO may contract with others in relation to any Long-Term Capacity Project(s) or may otherwise obtain the same or similar capacity services by other means and on different terms.

The form of contract to be entered into under ~~any~~ the LT1 RFP, ~~if any,~~ or the Expedited Process will not be an exclusive contract for the provision of long-term capacity services. The IESO may contract with others for the same or similar products or services or may otherwise obtain the same or similar products or services by other means.

SECTION 2 – PROCESS OVERVIEW

2.1 Overview of the LT1 RFQ Process

The IESO is seeking Qualification Submissions from interested parties for Long-Term Capacity Projects. Accordingly, the requirements of this LT1 RFQ, including the Team Member Mandatory Requirements set out in Section 3.2, have been formulated to identify those interested parties with the ~~technical~~ experience, financial resources and willingness to deliver New Build ~~capacity~~ Electricity resources in accordance with the IESO's requirements.

2.2 Schedule

- (a) Below is the schedule relating to this LT1 RFQ process (the “Schedule”):
[NTD: To be confirmed.]

Milestone	Date
IESO’s deadline for releasing the final LT1 RFQ	[June 30 May 1, 2022]
Deadline for submitting questions and comments, if any	[●] (the “Question and Comment Deadline”)
IESO’s deadline for issuing Addenda to LT1 RFQ, if any	[●]
Qualification submission deadline	[●] (the “Qualification Submission Deadline”)
Notification of Qualified Applicants	[●]

- (b) The IESO reserves the right to accelerate or postpone any of the dates set out above and to add to, eliminate, or re-order any of the steps set out in the Schedule. The IESO may amend the Schedule from time to time by Addendum, which will be posted on the Website.

2.3 Questions and Comments

- (a) This LT1 RFQ will be public and accessible via the Website. Interested parties are encouraged to promptly examine all such documentation and: (i) report to the IESO any errors, omissions or ambiguities; and (ii) send to the IESO any questions they may have regarding the LT1 RFQ by going to the Website, entering the Q&A link within the Website, and submitting a question or a comment using the electronic form provided, by e-mail to ~~[LT1.RFQ@ieso.ca]~~, ~~on or before the Question and Comment Deadline~~ LT.RFP@ieso.ca at least five (5) Business Days prior to the deadline for issuing addenda specified in the Schedule. The IESO will not be responsible for, nor be obliged to respond to, questions or comments submitted from another location of the IESO’s website or to any other e-mail address.
- (b) Questions marked as confidential will not be accepted by the IESO. Questions and comments received in the manner prescribed above that request clarification of the LT1 RFQ will be posted on the Website with

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the IESO's response, but the identity of any party asking any question or making any comment will not be revealed.

- (c) The IESO is under no obligation to provide additional information or answers but may do so at its sole Discretion. When posting questions to the Website, the IESO may make conforming changes to the question to remove identifying or proponent-specific information.
- (d) It is the responsibility of an interested party to seek clarification by submitting questions or comments in the manner provided above on any matter that it considers to be unclear. The IESO shall not be responsible for any misunderstanding on the part of an interested party concerning any aspect of ~~the~~[this](#) LT1 RFQ.

2.4 Addenda

- (a) The LT1 RFQ may be amended only by Addendum in accordance with this Section 2.4. If the IESO, for any reason, determines that it is necessary or appropriate to amend or provide additional information relating to the LT1 RFQ such information will be communicated by posting such Addendum on the Website on or prior to the deadline for issuing Addenda set out in the Schedule. Each Addendum will be deemed to form an integral part of the LT1 RFQ.
- (b) Each Addendum may contain important information, including significant changes to the LT1 RFQ, and interested parties are responsible for visiting the Website as often as is necessary to ensure that they obtain all Addenda and other communications issued by the IESO from time to time.
- (c) The IESO may issue an Addendum or Addenda after the deadline for issuing Addenda specified in the Schedule. If any Addendum is issued after the deadline for issuing Addenda set out in the Schedule, the IESO may, in its discretion, extend the Qualification Submission Deadline for a reasonable amount of time having regard to the circumstances.

2.5 Communications

The IESO does not wish to impair essential or appropriate communications by interested parties for the purposes of project planning, development, operations, regulatory compliance, participation in the *IESO-administered markets*, ~~or~~ compliance with the requirements of this LT1 RFQ, [structuring or assembling an RFQ Applicant Team, participating in stakeholder engagement events administered by the IESO in respect of this LT1 RFQ, or responding to stakeholder solicitations or requests for comments from the IESO in respect of this LT1 RFQ](#) (collectively, the “**Permitted Purposes**”). Therefore, the following communications rules apply with respect to this LT1 RFQ:

- (a) Communications in respect of this LT1 RFQ must be only for the Permitted Purposes and for no other purposes; and

- (b) Permitted communications include communications with MPPs, mayors, municipal officials, municipal administrative staff, the media, members of the public, the IESO, the OEB, transmitters and distributors, for the Permitted Purposes and for no other purposes.
- (c) Communications in respect of this LT1 RFQ shall not be for the purposes (the “**Excluded Purposes**”) of:
- (i) obtaining (or attempting to obtain or lobbying to obtain) an unfair advantage in respect of the LT1 RFQ;
 - (ii) influencing (or attempting to influence) the terms or outcome of the LT1 [RFQ other than via participating in stakeholder engagement events administered by the IESO in respect of this LT1 RFQ, or responding to stakeholder solicitations or requests for comments from the IESO in respect of this LT1 RFQ;](#)
 - (iii) influencing (or attempting to influence) government officials, regulatory officials or the management or staff of the IESO, OEB or transmitters or distributors with respect to changes to laws, regulations, rules, policies, or guidelines (including the Market Rules);
 - (iv) making comparisons between an RFQ Applicant’s proposed Long-Term Capacity Project and the proposed Long-Term Capacity Project of other potential RFQ Applicants;
 - (v) denying (or attempting to deny) any other potential RFQ Applicant’s fair, open and impartial consideration; or
 - (vi) impairing (or attempting to impair) public confidence in the process or outcome of the LT1 RFQ.
- (d) The onus shall be on an RFQ Applicant to demonstrate that any communications in relation to this LT1 RFQ were not communications for Excluded Purposes.
- (e) Communication for any Excluded Purposes shall be and is hereby expressly excluded from the Permitted Purposes.
- (f) Communications in respect of this LT1 RFQ with any member of the IESO’s management or board of directors, the Evaluation Team or its advisors, other than as expressly provided in this LT1 RFQ, would be considered to be communications for Excluded Purposes. Communications with IESO staff and Ministry of Energy staff are permissible only for Permitted Purposes. Opportunities for communication with IESO or Ministry of Energy staff or any other Person for Permitted

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Purposes shall not be used to carry out communications for Excluded Purposes.

If an RFQ Applicant has any questions regarding the appropriateness of specific communications, they are advised to seek clarification from the IESO via the e-mail address: LT1.RFQ@ieso.ca LT.RFP@ieso.ca.

The IESO shall have the right to request and obtain from a Qualified Applicant, and the Qualified Applicant shall, if so requested, promptly provide to the IESO, information or clarification regarding the appropriateness of any communications by such Qualified Applicant that may be prohibited by this LT1 RFQ. The RFQ Applicant shall provide all information reasonably necessary or appropriate to allow the IESO to assess whether such communications are or were for Permitted Purposes.

In cases of breach of the foregoing communications rules, the IESO may, in its Discretion, disqualify a Qualified Applicant or revoke the status of an RFQ Applicant, as the case may be. No RFQ Applicant shall engage or have engaged in any communications that would constitute a Conflict of Interest or that would breach the Non-Collusion Requirements, failing which, the IESO may, in its Discretion, disqualify the RFQ Applicant.

2.6 Qualification Requirements

- (a) RFQ Applicants are responsible for ensuring that the Qualification Submissions are complete in every respect and in compliance with this LT1 RFQ. RFQ Applicants should structure their Qualification Submissions in accordance with the instructions in this LT1 RFQ. Where information is requested in this LT1 RFQ, any response made in a Qualification Submission should reference the applicable section numbers of this LT1 RFQ where such request is made.
- (b) Apart from the completion of any blanks, bullets or similar uncompleted information in the Prescribed Forms, no amendments may be made to the pre-printed wording of the Prescribed Forms, but copies, including multiple copies, may be made of the appropriate pages of the Prescribed Forms. The Prescribed Forms will be made available on the Website in a writable PDF, Word or Excel format. Any amendments made to the Prescribed Forms, whether on the face of such forms or contained elsewhere in the Qualification Submission, may result in the disqualification of the Qualification Submission. All Prescribed Forms populated with relevant information from the RFQ Applicant must be signed by a director, officer or other person who has the authority to bind the RFQ Applicant.
- (c) Certain Prescribed Forms are, or contain, declarations. The onus is solely on RFQ Applicants to conduct all investigations and verifications necessary or appropriate, including any investigations required of any

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member(s) of the RFQ Applicant Team, to confirm that each of the statements set out in the declarations can be made accurately and truthfully. If the IESO determines in its Discretion that any matter declared is not materially true and correct, then the Qualification Submission may be invalidated. In instances where a Qualification Submission is not invalidated notwithstanding a discrepancy or inconsistency between the declarations in the Prescribed Forms populated with relevant information from the RFQ Applicant and those declarations elsewhere in the Qualification Submission, the declarations in the Prescribed Forms populated with relevant information from the RFQ Applicant shall prevail over any of the declarations made by the RFQ Applicant elsewhere in the Qualification Submission.

- (d) The Qualification Submission must be written in English only and should be in electronic format, typed in black ink, printable on a 8.5 x 11 inch paper, and all pages in applicable documents should be numbered sequentially. Qualification Submissions should be collated and organized in a user-friendly manner, including an index, cross-referencing of the various supporting documentation and their respective page numbering systems, and detailed responses.

2.7 Qualification Submission

- (a) To be considered [under this LT1 RFQ](#), an RFQ Applicant must submit all of the materials in Section 2.7(b)(i) (collectively, a “**Qualification Submission**”). It is the RFQ Applicant’s responsibility to submit the Qualification Submission to the IESO as prescribed by the requirements in Section 2.7(b). Any Qualification Submission that is not received by the IESO per the requirements set out in Section 2.7(b), will be rejected and the Qualification Submission will no longer be considered in this LT1 RFQ process. [Except as provided in Section 2.7\(c\)\(ii\), the Qualification Submission Fee will be non-refundable.](#)
- (b) *Electronic Submission Requirements*
 - (i) RFQ Applicants must submit all of the following documents as a part of the Qualification Submission, electronically to LT1.RFQ@ieso.ca LT.RFP@ieso.ca, prior to 5:00 P.M. (EPT) on the Qualification Submission Deadline:

ELECTRONIC SUBMISSION REQUIREMENTS	
Qualification Submission Document	Delivery and Format
Prescribed Form: RFQ Applicant Qualifying	All RFQ Applicants must submit an electronic copy of the completed Prescribed Form: RFQ Applicant

Experience and Declarations	Qualifying Experience and Declarations, in Adobe PDF format. RFQ Applicants are encouraged to use a filename that includes “ PF: Experience and Declarations ”.
<u>Prescribed Form: Long-Term Project Description</u>	<u>All RFQ Applicants must submit an electronic copy of the Completed Form: Long-Term Project Description, in Adobe PDF format for each Long-Term Capacity Project proposed by the RFQ Applicant with the information set out in Section 2.13.</u>
Qualification Submission Fee	An electronic funds transfer or wire payable to the “Independent Electricity System Operator” in the amount of eleven thousand three hundred Dollars (\$11,300) (the “ Qualification Submission Fee ”), which fee is inclusive of HST.

- (ii) The email submission made to LT1.RFQ@ieso.ca/LT.RFP@ieso.ca must contain all Qualification Submission documents identified in Section 2.7(b)(i) and should utilize the following naming convention in its email subject line: “**LT1 RFQ_RFQ Applicant Name**”.
- (iii) The Qualification Submission documents that are required to be submitted to the IESO in electronic format in accordance with Section 2.7(b)(i) must be received by the IESO in the LT1.RFQ@ieso.ca/LT.RFP@ieso.ca inbox by no later than the Qualification Submission Deadline. RFQ Applicants are solely responsible for their technology and the transmission of the Qualification Submission. The IESO shall utilize the time stamp generated at the time of receipt into the LT1.RFQ@ieso.ca/LT.RFP@ieso.ca inbox. Any delays due to firewalls, technical faults, file size, or a high volume of Qualification Submissions will not be taken into account. This time stamp (being the time that the email is received by the IESO) will be the sole determinant of whether electronic Qualification Submission documents were received prior to the Qualification Submission Deadline. For clarity, the IESO will not be responsible for late deliveries, deliveries to the incorrect email address or location or other electronic delivery failures. Late submissions will be returned to the RFQ Applicant. Due to limitations on the size of electronic delivery, RFQ Applicants may submit their Qualification Submission documents through multiple emails. For further clarity, if any email is shown to have been received in the

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LT1.RFQ@ieso.ca LT.RFP@ieso.ca inbox at anytime after the Qualification Submission Deadline, the entire Qualification Submission will be rejected. **RFQ Applicants are strongly encouraged to submit their Qualification Submission sufficiently in advance of the Qualification Submission Deadline to avoid any unforeseen delays in electronic delivery.**

- (iv) Payment for the Qualification Submission Fee must be sent to the following bank account:

Beneficiary:	Independent Electricity System Operator
Beneficiary Address:	1600-120 Adelaide St West, Toronto ON M5H 1T1
Bank:	The Toronto-Dominion Bank
Bank Address:	55 King St West, Toronto ON M5K 1A2
Bank ID:	004
Transit No.:	10202
Account No.:	0690-5618464
Swift Code:	TDOMCATTOR

In order to ensure that Qualification Submission Fee deposited by the RFQ Applicant is identified and correctly applied, the electronic funds transfer or wire must include a deposit reference identifier (“**RFQ Applicant ID**”) in the form of: LT1-RFQ Applicant Name-Year (Example: LT1-Company A-2022). After making the payment, an email must be sent to LS1.RFP@ieso.ca LT.RFP@ieso.ca with a copy to ieso.treasury@ieso.ca with the following information: (a) RFQ Applicant name; (b) RFQ Applicant ID; (c) expected deposit date; and (d) amount of Qualification Submission Fee deposited.

- (v) RFQ Applicants may submit an electronic copy of the completed Prescribed Form: Qualification Submission Completeness Checklist, in Adobe PDF format, with the Qualification Submission. RFQ Applicants are encouraged to use a filename that includes “**PF: QS Completeness Checklist**”. For clarity, the submission of Prescribed Form: Qualification Submission Completeness Checklist by the RFQ Applicant will not be used by the IESO for the purposes of evaluation of the completeness of the Qualification Submissions pursuant to Section 3.1.

- (c) *Amending or Withdrawing Qualification Submissions*

- (i) Qualification Submissions cannot be amended once submitted.

- (ii) At any time prior to the Qualification Submission Deadline, an RFQ Applicant may withdraw a submitted Qualification Submission by emailing notice of such withdrawal in the Prescribed Form: Notice of Qualification Submission Withdrawal to the IESO at LT1.RFQ@ieso.ca/LT.RFP@ieso.ca and, provided that such Prescribed Form: Notice of Qualification Submission Withdrawal is received by the IESO prior to the Qualification Submission Deadline, the entire Qualification Submission described therein shall be deemed to have been withdrawn. If an RFQ Applicant withdraws a Qualification Submission prior to the Qualification Submission Deadline, the IESO will not process such Qualification Submission and will return such Qualification Submission, including the Qualification Submission Fee to the RFQ Applicant.

2.8 Notification of Qualified Applicants

The IESO will notify each RFQ Applicant in writing of its status in accordance with the Schedule in Section 2.2. RFQ Applicants that have not been determined by the IESO to be Qualified Applicants will not be eligible to participate in any potential LT1 RFP.

2.9 Debriefing

RFQ Applicants who did not become Qualified Applicants may request a debriefing after being notified of their status. The IESO will hold a single debriefing meeting for each RFQ Applicant in which they can discuss their rejected Qualification Submission. Requests must be made in writing through LT1.RFQ@ieso.ca/LT.RFP@ieso.ca email address and must be made within thirty (30) days of such notification. The intent of the debriefing session is to assist the RFQ Applicant in presenting a better Qualification Submission in subsequent procurement opportunities. Any debriefing provided is not offered for the purpose of providing an opportunity to challenge this LT1 RFQ procurement process.

2.10 Potential Next Steps in the Process

- (a) Subsequent to this LT1 RFQ, the IESO may (but is not obliged to) proceed with ~~any potential~~the LT1 RFP or Expedited Process. Qualified Applicants will be expected to meet specific mandatory and rated criteria requirements under ~~any potential~~the LT1 RFP or Expedited Process. Qualified Applicants should note that the IESO is continuing to review the specific mandatory and rated criteria requirements in the context of ~~any potential~~the LT1 RFP or Expedited Process and, as a result of that review, Qualified Applicants may be required to meet additional or different requirements than the ones listed in this LT1 RFQ, including demonstrating capabilities in relation to operating Long-Term Capacity Projects in accordance with the Market Rules.

- (b) Only RFQ Applicants that have been determined by the IESO to be Qualified Applicants under this LT1 RFQ for either Large-Scale LT1 Projects or Small-Scale LT1 Projects will be eligible to participate in ~~any potential~~the LT1 RFP. ~~Such Qualified Applicants will only be permitted to submit proposals for one or more Large-Scale LT1 Projects if the Qualified Applicant was qualified under this LT1 RFQ in respect of Large-Scale LT1 Projects or Expedited Process.~~
- (c) If, prior to the submission of a proposal under ~~a potential~~the LT1 RFP or Expedited Process, any aspects of the Qualification Submission relating to the Team Member Mandatory Requirements of: ~~(i)~~ a Qualified Applicant, or with respect to the Control Group Member~~(ii)~~ of an RFQ Applicant Team; in relation to the applicable Entity Development Experience Threshold are no longer true or accurate, or, if the individuals or entities making up the RFQ Applicant Team are changed, then the Qualified Applicant must advise the IESO of any such changes as part of its proposal in response to the ~~potential~~ LT1 RFP or Expedited Process. If after reviewing such changes the IESO determines, in its sole and absolute discretion, that the Qualified Applicant or RFQ Applicant Team, as the case may be, continues to meet the Team Member Mandatory Requirements or Entity Development Experience Threshold, as applicable, then the IESO will allow the Qualified Applicant to continue to participate in the ~~potential~~ LT1 RFP or Expedited Process. The ~~LT1 RFQ~~Team Member Mandatory Requirements are set out for the purposes of qualifying RFQ Applicants under this LT1 RFQ only and do not restrict or otherwise limit the IESO in its ability to set any mandatory technical, financial, or other requirements that may be more permissive or more stringent, or in evaluating a Qualified Applicant again using the same or similar criteria, in relation to ~~any potential~~the LT1 RFP or Expedited Process.

2.11 Confidentiality

- (a) Information provided by an RFQ Applicant is subject to, and may be released in accordance with, the provisions of the *Freedom of Information and Protection of Privacy Act* (Ontario). An RFQ Applicant is required to clearly identify any portion of any Qualification Submission that contains proprietary or confidential information by marking it as “Proprietary and Confidential”. Only those portions of a Qualification Submission that are marked as “Proprietary and Confidential” will be accorded confidential treatment by the IESO in accordance with this Section 2.11.
- (b) The confidentiality of any such information identified by the RFQ Applicant will be maintained by the IESO, except where Laws and Regulations, a request by the Information and Privacy Commissioner, a court, legislative committee or a tribunal requires the IESO to do otherwise. Notwithstanding the foregoing, the IESO shall not be required to maintain the confidentiality of any such information that:

- (i) is or becomes generally available to the public without fault or breach on the part of the IESO of any duty of confidentiality owed by the IESO to the RFQ Applicant or to any third party;
 - (ii) the IESO can demonstrate that it had been rightfully obtained by the IESO, without any obligation of confidence, from a third party that had the right to transfer or disclose it to the IESO free of any obligation of confidence;
 - (iii) the IESO can demonstrate that it had been rightfully known by, or in the possession of, the IESO at the time of disclosure, free of any obligation of confidence when disclosed; or
 - (iv) has been independently developed by the IESO.
- (c) Information contained in Qualification Submissions will, as deemed necessary by the IESO, be disclosed on a confidential basis, to the Evaluation Team, the IESO, the Fairness Advisor, the IESO's counsel and other advisors retained in connection with the LT1 RFQ and in the evaluation of the Qualification Submissions.
- (d) All information provided by or obtained from the IESO in any form in connection with this LT1 RFQ is the sole property of the IESO and must be treated as confidential, and:
- (i) is not to be used for any purpose other than replying to this LT1 RFQ;
 - (ii) must not be disclosed without the prior written authorization of the IESO; and
 - (iii) shall be returned by the RFQ Applicant to the IESO immediately upon the request of the IESO.

2.12 Disclosure of Qualified Applicants

Notwithstanding Section 2.11, the IESO may choose to publish or otherwise disclose all or any part of the following information regarding the Qualification Submissions subsequent to notifying all successful and unsuccessful RFQ Applicants or following the completion of this LT1 RFQ:

- (a) RFQ Applicant Name;
- (b) Whether or not the RFQ Applicant was selected by the IESO as a Qualified Applicant;
- (c) Control Group Members of the RFQ Applicant; and
- (d) Key contact information for the RFQ Applicant.

The IESO may make such disclosure on an individual basis, or as aggregated with information provided by other RFQ Applicants.

2.13 Information on Long-Term Capacity Project(s)

The RFQ Applicants shall, as a part of their Qualification Submissions, submit a description of at least one (1) proposed Long-Term Capacity Project, including, where possible, the following information in relation to their proposed Long-Term Capacity Project(s):

- (a) Nameplate capacity and, where storage is utilized, the anticipated round-trip efficiency of the storage resource;
- (b) Confirmation that the project would be a dispatchable, New Build Electricity resource;
- (c) Location (address or GPS coordinates);
- (d) Interconnection point;
- (e) Location based on the Capacity Auction Zone Table published by the IESO (at <https://www.ieso.ca/en/Sector-Participants/Market-Operations/Markets-and-Related-Programs/Capacity-Auction>);
- (f) Connecting circuits or Upstream TS;
- (g) Fuel(s) and technology type, including the make up of individual ~~resources~~ technologies, if a hybrid facility;
- (h) Duration of the proposed project's ability to generate a sustained amount of Electricity during normal operating conditions;
- (i) ~~UCAP;~~ Ramp rate;
- (j) Expected commercial operation date and whether the RFQ Applicant would be prepared to commit to a commercial operation date by May 1, 2025 for purposes of the Expedited Process; and
- (k) ~~Ramp rate~~ The RFQ Applicant's proposed internal or external resources to be used for offering and operating the Long-Term Capacity Project(s) in the IESO-administered markets.

All information and ~~materials~~ material (including responses to questions or comments) provided pursuant to this Section 2.13 is provided for information purposes only, and will not be used by the IESO for the purposes of evaluation of the Qualification Submissions.

SECTION 3 – QUALIFICATION SUBMISSION EVALUATION

The evaluation of Qualification Submissions will be conducted by the IESO in ~~two~~four distinct stages as follows:

3.1 Stage 1 – Completeness Requirements

In Stage 1, each Qualification Submission will pass or fail depending on whether the Qualification Submission is complete and contains all documents, forms and declarations required by Section 2.7 of this LT1 RFQ. All submissions must be complete in all respects at the time of submission.

3.2 Stage 2 – Team Member Mandatory Requirements

In Stage 2, each Qualification Submission will pass or fail depending on whether, based on the information provided in the completed Prescribed Forms and the Qualification Submission, the RFQ Applicant meets the ~~following~~applicable Team Member Mandatory Requirements. Qualification Submissions that do not demonstrate that the RFQ Applicant satisfies ~~each of~~ the applicable Team Member Mandatory Requirements will not be evaluated further and will be rejected.

(a) ~~Mandatory Requirements for Large-Scale LT1 Projects~~ Team Member Experience

~~The Mandatory Requirements for Large-Scale LT1 Projects are set out below in this Section 3.2(a).~~

(i) In order to meet this requirement, the RFQ Applicant must have at least two (2) Designated Team Members who, collectively, have experience in each of the Planning, Developing, Financing, Constructing and Operating of at least one (1) Qualifying Large-Scale Project (defined in Section 3.3(a)(i) below), where such individuals had managerial authority in respect of such functions (the “Large-Scale Team Member Experience”). The RFQ Applicant may have more than two (2) Designated Team Members on its RFQ Applicant Team to satisfy the aggregate Large-Scale Team Member Experience requirements relating to each of the Planning, Developing, Financing, Constructing and Operating requirements.

(ii) ~~(i) – Large-Scale Entity Development Experience~~ For greater certainty, the Qualifying Large-Scale Project(s) that demonstrate Large-Scale Team Member Experience of Designated Team Members under Section 3.2(a)(i) need not be the same as the Qualifying Large-Scale Project(s) that demonstrate the Large-Scale Entity Development Experience Threshold by the RFQ Applicant or its Control Group Member under Section 3.3(a)(i) and the experience of the Designated Team Members does not need to

have been earned with the RFQ Applicant or Control Group Member.

- (iii) The Large-Scale Team Member Experience claimed for each Designated Team Member submitted pursuant to Section 3.2(a)(i) must be substantiated by an accompanying resume describing the applicable function. The RFQ Applicant must submit a statutory declaration of an officer of the RFQ Applicant stating that the resume of each Designated Team Member presents accurately, in all material respects, the components of Large-Scale Team Member Experience described in such resume.
- (iv) Subject to Section 2.10(c), the Designated Team Members whose Large-Scale Team Member Experience has been accepted for the purposes of evaluating the Qualification Submissions under this LT1 RFQ will be required to form a part of the Qualified Applicant's team for the purposes of any LT1 RFP.

(b) *Small-Scale Team Member Experience*

- (i) In order to meet this requirement, the RFQ Applicant must have at least two (2) Designated Team Members who, collectively, have experience in each of the Planning, Developing, Financing, Constructing and Operating of at least one (1) Qualifying Small-Scale Project (defined in Section 3.3(b)(i) below), where such individuals had managerial authority in respect of such functions ("Small-Scale Team Member Experience"). The RFQ Applicant may have more than one (1) Designated Team Members on its RFQ Applicant Team to satisfy the aggregate Small-Scale Team Member Experience requirements relating to each of Planning, Developing, Financing, Constructing and Operating.
- (ii) For greater certainty, the Qualifying Small-Scale Project(s) that demonstrate Small-Scale Team Member Experience of Designated Team Members under Section 3.2(b)(i) need not be the same as the Qualifying Small-Scale Project(s) that demonstrate Small-Scale Entity Development Experience by the RFQ Applicant or its Control Group Member under Section 3.3(b)(i) and the experience of the Designated Team Members does not need to have been earned with the RFQ Applicant or Control Group Member.
- (iii) The Small-Scale Team Member Experience claimed for each Designated Team Member submitted pursuant to Section 3.2(b)(i) must be substantiated by an accompanying resume. The RFQ Applicant must submit a statutory declaration of an officer of the RFQ Applicant stating that the resume of each Designated Team Member presents accurately, in all material respects, the

Small-Scale Team Member Experience of such Designated Team Member.

- (iv) The Designated Team Members whose Small-Scale Team Member Experience has been accepted for the purposes of evaluating the Qualification Submissions under this LT1 RFQ will be required to form a part of the Qualified Applicant’s team for the purposes of any LT1 RFP.

3.3 Stage 3 – Evaluation of Entity Development Experience

In Stage 3, each Qualification Submission will be evaluated on whether, based on the information provided in the completed Prescribed Forms and the Qualification Submission, the RFQ Applicant satisfies the Entity Development Experience Threshold for Large-Scale LT1 Projects or Small-Scale LT1 Projects set out below.

(a) Large-Scale Entity Development Experience Threshold

- (i) ~~(A) The RFQ Applicant or its Control Group Member must have directly owned, or Controlled a Person that directly owned, [In order to meet the “Large-Scale Entity Development Experience Threshold”, the RFQ Applicant or its Control Group Member must have directly owned, or Controlled a Person that directly owned, two(2)] or more operating Electricity generation or storage facilities:~~

(A) ~~(1)~~ with a nameplate capacity of at least ~~[5]~~ MW;

(B) ~~(2)~~ that are not Behind-the-Meter Facilities; and

(C) ~~(3)~~ that have achieved commercial operation in any jurisdiction in Canada or the United States of America no more than ~~[tenfifteen (1015)]~~ years prior to the date of the Qualification Submission

(any such project, a “Qualifying Large-Scale Project”). ~~The ownership requirements set out in this Section 3.2(a)(i)(A) must apply from the commencement of the construction of such Qualifying Large-Scale Project until at least [one (1)] year following the achievement of commercial operation of such Qualifying Large-Scale Project (the “Large-Scale Entity Development Experience”).~~

- (ii) ~~(B)~~ The requirement ~~of this~~in Section ~~3.23.3~~3(a)(i) shall be met by the RFQ Applicant providing evidence of applicable environmental and energy or electricity-sector permits or licenses, interconnection agreements and market participation or registration

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documentation in respect of the Qualifying Large-Scale Project (each as applicable) as well as documentary evidence of the achievement of commercial operation in respect of such Qualifying Large-Scale Project. Where any of such documents are not issued in the name of the RFQ Applicant, the RFQ Applicant must submit an organizational chart, together with evidence of applicable securities holdings reflected in such organizational chart via certified copies of the securities register(s) of the applicable Person(s) (and any legal name-change documentation, if applicable) which confirms the required ownership by the RFQ Applicant or the Control Group Member of the Qualifying Large-Scale Project or its Control of the Person that owned the Qualifying Large-Scale Project as of a date no later than the date of the earliest of the issued permits or licenses referenced above (and in the case where such ownership is at the level of the Control Group Member, which also reflects the Control Group Member's Control with respect to the RFQ Applicant). In the event that the ownership information included in support of this requirement is no longer current or accurate as of the date of the Qualification Submission (e.g. where the RFQ Applicant or Control Group Member may have sold the Qualifying Large-Scale Project, directly or indirectly), the RFQ Applicant must submit evidence of the date of any such transfer or transaction (which documentation may be redacted for commercially sensitive or confidential information) to confirm the required ownership or Control until at least ~~one (1)~~ year following the achievement of commercial operation of such Qualifying Large-Scale Project. ~~Additionally, if~~

(iii) If the Qualifying Large-Scale Project is situated outside of Ontario, the RFQ Applicant must provide a contact name, email and phone number of a reference person employed with the applicable Governmental Authority (or equivalent) or utility responsible for the procurement or regulation of the Qualifying Large-Scale Project, with knowledge of the Qualifying Large-Scale Project.

(b) ~~(ii)~~ ~~Large~~Small-Scale ~~Individual~~Entity ~~Development~~ ~~Experience~~ Threshold

~~(A)~~ ~~The RFQ Applicant must have at least~~ ~~[two (2)]~~ ~~Designated Team Members who, collectively, have experience in each of the Planning, Developing, Financing, Constructing and Operating of at least~~ ~~[one (1)]~~ ~~Qualifying Large Scale Project, where such individuals had managerial authority in respect of such functions (the "Large Scale Individual Development Experience").~~ ~~The RFQ Applicant may have more than~~ ~~[two (2)]~~ ~~Designated Team Members on its RFQ Applicant Team to satisfy the aggregate Individual Development Experience requirements relating to each~~

~~of the Planning, Developing, Financing, Constructing and Operating requirements separately.~~

~~(B) For greater certainty,~~

~~(1) the Qualifying Large Scale Project(s) that demonstrate Large Scale Individual Development Experience of Designated Team Members under Section 3.2(a)(ii)(A) need not be the same as the Qualifying Large Scale Project(s) that demonstrate Large Scale Entity Development Experience by the RFQ Applicant or its Control Group Member under Section 3.2(a)(i); and~~

~~(2) the experience of the Designated Team Members does not need to have been earned with the RFQ Applicant or Control Group Member.~~

~~(C) The Large Scale Individual Development Experience claimed for each Designated Team Member submitted pursuant to Section 3.2(a)(ii)(A) must be substantiated by an accompanying resume. The RFQ Applicant must submit a statutory declaration of an officer of the RFQ Applicant stating that the resume of each Designated Team Member presents accurately, in all material respects, the Large Scale Individual Development Experience of such Designated Team Member.~~

~~(D) The Designated Team Members whose Large Scale Individual Development Experience has been accepted for the purposes of evaluating the Qualification Submissions under this LT1 RFQ will be required to form a part of the Qualified Applicant's team for the purposes of any LT1 RFP.~~

~~(iii) *Market Operating Experience*~~

(i) In order to meet the “**Small-Scale Entity Development Experience Threshold**”, The RFQ Applicant or its Control Group Member must have directly owned, or Controlled a Person that directly owned, **five (5)** or more Electricity generation or storage facilities:

(A) with a nameplate capacity of at least 500 kW; and

(B) ~~(A) In addition to the Large Scale Individual Development Experience, the RFQ Applicant must have at least **one (1)** Designated Team Member who has experience in offering, scheduling, dispatching and operating at least **one** Qualifying Large Scale Project, in the~~

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~~IESO-administered markets or similar wholesale electricity markets operated by an independent system operator or regional transmission operator that have achieved commercial operation~~ in any jurisdiction in Canada or the United States of America ~~in the [two (2)] no more than five (5) years prior to the date of the Qualification Submission (“Market Operating Experience”)~~.

~~(B) For greater certainty,~~

- ~~(1) the Qualifying Large Scale Project(s) that is the subject of the Market Operating Experience of the Designated Team Member under Section 3.2(a)(iii)(A) need not be the same as the Qualifying Large Scale Project(s) that demonstrate Large Scale Entity Development Experience by the RFQ Applicant or its Control Group Member or the Large Scale Individual Development Experience by the Designated Team Members;~~
- ~~(2) the experience of the Designated Team Member does not need to have been earned with the RFQ Applicant or Control Group Member; and~~
- ~~(3) the Designated Team Member that demonstrates the Market Operating Experience under Section 3.2(a)(iii)(A) need not be the same person as the Designated Team Members that demonstrate the Large Scale Individual Development Experience.~~

~~(C) The Market Operating Experience claimed for the Designated Team Member submitted pursuant to Section 3.2(a)(iii)(A) must be substantiated by an accompanying resume. The RFQ Applicant must submit a statutory declaration of an officer of the RFQ Applicant stating that the resume of the Designated Team Member presents accurately, in all material respects, the Market Operating Experience of such Designated Team Member.~~

~~(D) The Designated Team Member whose Market Operating Experience has been accepted for the purposes of evaluating the Qualification Submissions under this LT1 RFQ will be required to form a part of the Qualified Applicant’s team for the purposes of any LT1 RFP.~~

~~(b) **Mandatory Requirements for Small Scale LT1 Projects**~~

~~The Mandatory Requirements for Small Scale LT1 Projects are set out below in this Section 3.2(b).~~

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~~RFQ Applicants that qualify as Qualified Applicants under this LT1 RFQ for Large Scale LT1 Projects as set out in Section 3.2(a) will be eligible under any future LT1 RFP to submit proposals for one or more Small Scale LT1 Projects or one or more Large Scale LT1 Projects. RFQ Applicants that qualify as Qualified Applicants under this LT1 RFQ only for Small Scale LT1 Projects as set out in this Section 3.2(b) will only be eligible under any future LT1 RFP to submit proposals for one or more Small Scale LT1 Projects.~~

~~(i) *Small-Scale Entity Development Experience*~~

~~(A) The RFQ Applicant or its Control Group Member must have directly owned, or Controlled a Person that directly owned, **five(5)** or more Electricity generation or storage facilities:~~

~~(1) with a nameplate capacity of at least **500 kW**;~~

~~(2) that are not Behind the Meter Facilities; and~~

~~(3) that have achieved commercial operation in any jurisdiction in Canada or the United States of America no more than **five (5)** years prior to the date of the Qualification Submission~~

(any such project, a “**Qualifying Small-Scale Project**”). For greater certainty, a Qualifying Small-Scale Project may include a Behind-the-Meter Facility. The ownership requirements set out in this Section ~~3.23.3~~3(b)(i)(A) must apply from the commencement of the construction of such Qualifying Small-Scale Project until at least ~~one (1)~~ year following the achievement of commercial operation of such Qualifying Small-Scale Project (the “**Small-Scale Entity Development Experience**”).

(ii) ~~(B)~~ The requirement ~~of this~~in Section ~~3.23.3~~3(b)(i) shall be met by the RFQ Applicant providing evidence of applicable environmental and energy or electricity-sector permits or licenses, interconnection agreements and market participation or registration documentation in respect of the Qualifying Small-Scale Project (each as applicable) as well as documentary evidence of the achievement of commercial operation in respect of such Qualifying Small-Scale Project. Where any of such documents are not issued in the name of the RFQ Applicant, the RFQ Applicant must submit an organizational chart, together with evidence of applicable securities holdings reflected in such organizational chart via certified copies of the securities register(s) of the applicable Person(s) (and any legal name-change documentation, if applicable) which confirms the required ownership by the RFQ

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Applicant or the Control Group Member of the Qualifying Small-Scale Project or its Control of the Person that owned the Qualifying Small-Scale Project as of a date no later than the date of the earliest of the issued permits or licenses referenced above (and in the case where such ownership is at Control Group Member level, which also reflects the Control Group Member's Control with respect to the RFQ Applicant). In the event that the ownership information included in support of this requirement is no longer current or accurate as of the date of the Qualification Submission (e.g. where the RFQ Applicant or Control Group Member may have sold the Qualifying Small-Scale Project, directly or indirectly), the RFQ Applicant must submit evidence of the date of any such transfer or transaction (which documentation may be redacted for commercially sensitive or confidential information) to confirm the required ownership or Control until at least **one (1)** year following the achievement of commercial operation of such Qualifying ~~Small Scale Project.~~ ~~(ii)~~ Small-Scale **Individual Development Experience** Project.

- ~~(A)~~ The RFQ Applicant must have at least **one (1)** Designated Team Member[s] who, collectively, have experience in each of the Planning, Developing, Financing, Constructing and Operating of at least **one (1)** Qualifying Small Scale Project, where such individuals had managerial authority in respect of such functions ("Small Scale Individual Development Experience"). The RFQ Applicant may have more than **one (1)** Designated Team Members on its RFQ Applicant Team to satisfy the aggregate Small Scale Individual Development Experience requirements relating to each of Planning, Developing, Financing, Constructing and Operating separately.
- ~~(B)~~ For greater certainty,
- ~~(1)~~ the Qualifying Small Scale Project(s) that demonstrate Small Sale Individual Development Experience of Designated Team Members under Section 3.2(b)(ii)(A) need not be the same as the Qualifying Small Scale Project(s) that demonstrate Small Scale Entity Development Experience by the RFQ Applicant or its Control Group Member under Section 3.2(b)(i); and
 - ~~(2)~~ the experience of the Designated Team Members does not need to have been earned with the RFQ Applicant or Control Group Member.
- ~~(C)~~ The Small Scale Individual Development Experience claimed for each Designated Team Member submitted pursuant to Section

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~~3.2(b)(ii)(A) must be substantiated by an accompanying resume. The RFQ Applicant must submit a statutory declaration of an officer of the RFQ Applicant stating~~

3.4 Stage 4 – Determination of Eligibility

In Stage 4, each Qualification Submission will be evaluated on whether, based on the evaluation of the RFQ Applicant’s satisfaction of the Entity Development Experience Threshold in Stage 3, the RFQ Applicant will be eligible under the LT1 RFP or the Expedited Process to submit proposals for one or more Large-Scale LT1 Projects or Small-Scale LT1 Projects as set out below.

- (a) RFQ Applicants that satisfy both the Large-Scale Team Member Experience and the Large-Scale Entity Development Experience Threshold will be eligible under the LT1 RFP to submit proposals for one or more Large-Scale LT1 Projects or Small-Scale LT1 Projects and such RFQ Applicant will be required to deliver and maintain the default level of proposal security as required under the LT1 RFP (the “Base Proposal Security”).
- (b) RFQ Applicants that satisfy both the Small-Scale Team Member Experience and the Small-Scale Entity Development Experience Threshold:
 - (i) will be eligible under the LT1 RFP to submit proposals for one or more Small-Scale LT1 Projects and will be eligible to do so by delivering and maintaining the Base Proposal Security; and
 - (ii) will also be eligible under the LT1 RFP to submit proposals for one or more Large-Scale LT1 Projects, provided that any such RFQ Applicant will be required to deliver and maintain a higher level of proposal security under the LT1 RFP, being 1.5 times the Base Proposal Security.
- (c) RFQ Applicants that satisfy the Large-Scale Team Member Experience but do not satisfy either the Large-Scale Entity Development Experience Threshold or the Small-Scale Entity Development Experience Threshold will still be eligible under the LT1 RFP to submit proposals for one or more Large-Scale LT1 Projects or Small-Scale LT1 Projects, provided that any such RFQ Applicant will be required to deliver and maintain a higher level of proposal security under the LT1 RFP, being 1.5 times the Base Proposal Security.
- (d) RFQ Applicants that ~~the resume of each Designated Team Member presents accurately, in all material respects,~~satisfy the Small-Scale Individual Development Experience of such Designated Team Member.

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- ~~(D) The Designated Team Members whose Experience but do not satisfy the Small-Scale Individual Entity Development Experience has been accepted for the purposes of evaluating the Qualification Submissions Threshold will still be eligible under this the LT1 RFQ will be required to form a part of the Qualified Applicant's team for RFP to submit proposals for one or more Small-Scale LT1 Projects, provided that any such RFQ Applicant will be required to deliver and maintain a higher level of proposal security under the purposes of any LT1 RFP.~~
- ~~(iii) Market Operating, being 1.5 times the Base Proposal Security.~~
- (e) RFQ Applicants that satisfy the Small-Scale Team Member Experience
- ~~(A) In addition to but do not satisfy the Small-Scale Individual Entity Development experience, the RFQ Applicant must have at least **[one (1)] Designated Experience Threshold** will not be eligible under the LT1 RFP to submit proposals for any Large-Scale LT1 Project.~~
- (f) Eligibility for the Expedited Process will be limited to Large-Scale LT1 Projects and to RFQ Applicants that satisfy both the Large-Scale Team Member who has Market Operating Experience as set out in Section 3.2(a)(iii) and the Large-Scale Entity Development Experience Threshold. The required level of proposal security under the Expedited Process is proposed to be 1.5 times the amount of the Base Proposal Security.

3.5 ~~3.3~~ Selection of Qualified Applicants

All RFQ Applicants that ~~submit Qualification Submissions that meet the Mandatory Requirements~~ are determined to be eligible under Section 3.4 to submit proposals for one or more Large-Scale LT1 Projects or Small-Scale LT1 Projects will be selected as Qualified Applicants. Qualified Applicants and unsuccessful RFQ Applicants will be notified per Section 2.8.

SECTION 4 – ADDITIONAL TERMS AND CONDITIONS

4.1 General Terms and Conditions

- (a) For the purpose of determining time of receipt of any submission, the clock at the prescribed location for submission shall govern.
- (b) The onus remains solely with the RFQ Applicant to ~~instruct courier and delivery personnel to~~ deliver submissions ~~to the relevant~~ as specified ~~location~~ in this LT1 RFQ by the relevant deadline.

4.2 LT1 RFQ Documents

- (a) The following materials form part of, and are incorporated into, this LT1 RFQ:

- (i) the body of this LT1 RFQ and all Appendices; and
 - (ii) any Addenda.
- (b) Any conflict or inconsistency between this LT1 RFQ, the Appendices, or addenda, if any, shall be resolved by interpreting the documents and information in the following order from highest priority to lowest priority:
- (i) Addenda; and
 - (ii) the body of this LT1 RFQ and Appendix A
- (c) All other information and materials are provided for information purposes only, do not form part of this LT1 RFQ and are not binding on the IESO.

4.3 Compliance

If, in the Discretion of the IESO, a Qualification Submission does not comply with the requirements set out in this LT1 RFQ, the IESO may, without liability, cost or penalty, disqualify the Qualification Submission and the Qualification Submission shall not be given any further consideration. For purposes of this LT1 RFQ, “comply” mean that the Qualification Submission conforms to the requirements of this LT1 RFQ without Material Deviation.

For the purpose of clarity, each RFQ Applicant acknowledges and agrees that the IESO’s evaluation of compliance with this LT1 RFQ is not an evaluation of absolute compliance and that the IESO may waive failures to comply that, in the IESO’s Discretion, do not constitute a Material Deviation.

4.4 Participation Costs

Each RFQ Applicant will bear all costs and expenses in connection with its participation in this LT1 RFQ, including any costs incurred in the review of this LT1 RFQ and any expert advice required in responding to this LT1 RFQ. The IESO and its advisors shall not be liable to pay any RFQ Applicants’ costs under any circumstances. In particular, the IESO will not reimburse the RFQ Applicants in any manner whatsoever in the event of rejection or disqualification of any or all Qualification Submissions or in the event of the cancellation of this LT1 RFQ for any reason. Subject to Section 4.5, by submitting any submission in response to this LT1 RFQ, the RFQ Applicant irrevocably and unconditionally waives any claims against the IESO and its advisors relating to the RFQ Applicants’ costs and expenses.

4.5 Material Breach of this LT1 RFQ

Each RFQ Applicant agrees that, if the IESO commits a material breach of this LT-1 RFQ, the IESO’s liability to the RFQ Applicant, and the aggregate amount of damages recoverable against the IESO for any matter relating to or arising from that material breach, whether based upon an action or claim in contract, warranty, equity, negligence,

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intended conduct or otherwise, including any action or claim arising from the acts or omissions, negligent or otherwise, of the IESO, shall be no greater than the submission preparation costs that the RFQ Applicant seeking damages from the IESO can demonstrate and shall in any event not include any lost profits or indirect, punitive or consequential damages.

4.6 Verification

All statements, information and documentation submitted as part of any Qualification Submission are subject to verification and enforcement in accordance with the terms of this LT1 RFQ. If such statements, information or documentation are determined by the IESO to be incorrect or misleading, the IESO reserves the right to re-evaluate the Qualification Submission and the RFQ Applicant's status, including its compliance with Section 3 of this LT1 RFQ.

4.7 Other Procurement Processes

- (a) Participation in this LT1 RFQ shall not preclude participation in any other present or future IESO procurements (provided that all requirements and criteria set out under each such procurement are satisfied).
- (b) This LT1 RFQ is not in any way intended to preclude, restrict or otherwise discourage any RFQ Applicant from proceeding with the development of facilities or resources outside the scope of the IESO's procurement processes.

4.8 Governing Law

This LT1 RFQ shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each RFQ Applicant submits to the exclusive jurisdiction of the courts of the Province of Ontario situated in Toronto.

4.9 Reserved Rights

Notwithstanding any other provision of this LT1 RFQ, the IESO reserves the right to:

- (a) request written clarification or the submission of supplementary written information from any RFQ Applicant and incorporate the response to that request for clarification into the that party's submission;
- (b) meet with some or all RFQ Applicants to discuss aspects of their submissions;
- (c) verify with any RFQ Applicant, or with a third party, any information set out in a submission;
- (d) contact any applicable references in relation to identified Qualifying Experience;

- (e) disqualify any RFQ Applicant whose submission contains misrepresentations or any other inaccurate or misleading information;
- (f) waive any informality or irregularity at the IESO's Discretion;
- (g) disqualify any RFQ Applicant or the submission of any such party who has engaged in conduct prohibited by this LT1 RFQ;
- (h) make changes, including substantial changes, to this LT1 RFQ in the manner set out in this LT1 RFQ;
- (i) cancel this LT1 RFQ process at any stage;
- (j) cancel this LT1 RFQ process at any stage and issue a new process for the same or similar deliverables; or
- (k) reject any or all Qualification Submissions at the IESO's Discretion,

and these reserved rights are in addition to any other express rights or any other rights which may be implied in the circumstances, and the IESO shall not be liable for any expenses, costs, losses or any direct or indirect damages incurred or suffered by any RFQ Applicant, or any third party resulting from the IESO exercising any of its express or implied rights under this LT1 RFQ.

By submitting a Qualification Submission, the RFQ Applicant, on its own behalf and on behalf of each member of the RFQ Applicant Team to which it belongs, authorizes the collection by the IESO of the information set out under Sections 4.9(c) and 4.9(d) above.

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APPENDIX A – GLOSSARY OF TERMS

Addenda	means the documents expressly identified as addenda and issued by the IESO to RFQ Applicant in accordance with this LT1 RFQ and “ Addendum ” means any one of such documents.
Appendix or Appendices	means the Appendix or Appendices that form part of this LT1 RFQ.
<u>Base Proposal Security</u>	<u>has the meaning given to it in Section 3.4(a).</u>
Business Day	means a day, other than a Saturday or Sunday or statutory holiday in the Province of Ontario or any other day on which banking institutions in Toronto, Ontario are not open for the transaction of business.
Behind-the-Meter Facility	means an Electricity generating or storage facility that is connected to a Host Facility such that Electricity generated or delivered by such Facility is recorded on the Host Facility’s Electricity meter.
Commitment Period	has means the meaning given to it <u>operating and settlement period in relation to a contract to be entered under either the Expedited Process or the LT1 RFP described</u> in Section 1.2.
Conflict of Interest	<p>Means, without limitation, any situation or circumstance where, in relation to this LT1 RFQ process, the RFQ Applicant obtains an unfair advantage or engages in conduct, directly or indirectly, that may allow it to obtain an unfair advantage, including:</p> <ul style="list-style-type: none"> (i) having or having access to information in the preparation of its Qualification Submission that is confidential to the IESO or the Government of Ontario and that is not available to other RFQ Applicants; (ii) communicating with any official or representative of the IESO or the Government of Ontario or members of the Evaluation Team with a view to influencing preferred treatment in this LT1 RFQ process; or (iii) engaging in conduct (including breach of Non-Collusion Requirements) that compromises or

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	could be seen to compromise the integrity of the open and fair LT1 RFQ process and tend to render that process non-competitive and unfair.
Constructing	Means prior demonstrable experience in undertaking or overseeing the building, erecting, constructing, installing, testing, start-up and commissioning of an Electricity resource.
Control	Means, with respect to any Person at any time: (a) holding, whether directly or indirectly, as owner or other beneficiary, (other than solely as the beneficiary of an unrealized security interest) securities or ownership interests of that Person carrying votes or ownership interests sufficient to elect or appoint 50% or more of individuals who are responsible for the supervision or management of that Person; or (b) the exercise of de facto control of that Person whether direct or indirect and whether through the ownership of securities or ownership interests, by contract or trust or otherwise and “ Controls ” or “ Controlled ” has a corresponding meaning.
Control Group Member	Means in respect of any entity (the “ Reference Entity ”) an entity that: (a) Controls the Reference Entity, or (b) is Controlled by the Reference Entity, or (c) is Controlled by the same entity that Controls the Reference Entity.
Designated Team Member	means an individual who is either a principal, officer or an employee of the RFQ Applicant or a Control Group Member of the RFQ Applicant who are members of the RFQ Applicant Team.
Developing	Means prior demonstrable experience in engaging in community and municipal consultations, obtaining site access, obtaining regulatory and environmental approvals and other permits necessary for construction of an Electricity resource, and where the Crown had a duty to consult obligation in the jurisdiction where the prior experience was obtained, undertaking the procedural aspects of consultation with Indigenous communities that are required to support the Crown’s duty to consult obligations.
Distribution System	means a system connected to the <i>IESO-controlled grid</i> for distributing Electricity at voltages of 50 kilovolts or less, and includes any structures, equipment or other things used for that purpose, provided that a Distribution System shall

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	be deemed not to include any equipment controlled by the IESO pursuant to the Distribution System Code.
Distribution System Code	means the “Distribution System Code” established and approved by the OEB, which, among other things, establishes the obligations of a local distribution company with respect to the services and terms of service to be offered to customers and retailers and provides minimum technical operating standards for Distribution Systems.
Discretion	means the sole and absolute discretion of the IESO.
<u>Dollars</u>	<u>means Canadian dollars and cents.</u>
Electricity	means electric energy.
Entity Development Experience <u>Threshold</u>	means either the Large-Scale Entity Development Experience requirements <u>Threshold</u> set out in Section 3.23.3 (a)(i)(A) or the Small-Scale Entity Development Experience requirements <u>Threshold</u> set out in Section 3.23.3 (b)(i)(A), as applicable.
EPT	means Eastern Prevailing Time.
Evaluation Team	means, collectively, the IESO’s personnel and advisors (legal or otherwise) who are involved in evaluating Qualification Submissions.
Excluded Purposes	has the meaning given to that term in Section 2.5(c).
Expansion	<p>means an addition of generating and/or storage unit(s), as applicable, to an existing generation or storage facility which:</p> <p>(a) is not intended to replace any generating or storage equipment at the existing generation or storage facility;</p> <p>(b) generates Electricity output in addition to the Electricity output of other generating units that operate or operated at the existing generation or storage facility;</p> <p>(c) has separate revenue grade meters that conform with the contract requirements and are dedicated to measuring the electrical output of the added generators and that are accessible to the IESO; and</p> <p>(d) does not include any of the Electricity generating capacity available from the existing generation or storage</p>

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<u>Expedited Process</u>	<u>has the meaning given to it in Section 1.2.</u>
Fairness Advisor	means the Person who is retained by the IESO to provide (i) independent assurance to RFQ Applicants and other stakeholders that the selection and contracting processes are fair and transparent, and (ii) a written statement that attests that the procurement process was conducted in an objective and fair manner.
Financing	Means prior demonstrable experience arranging non-recourse project financing, bank financing or on-balance sheet financing sufficient to commence construction.
Governmental Authority	means the Crown, any federal, provincial, or municipal government, parliament or legislature, or any regulatory authority, agency, tribunal, commission, board or department of any such government, parliament or legislature, or any court or other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, including the IESO, the OEB, the Electrical Safety Authority, and any Person acting under the authority of any Governmental Authority.
Host Facility	means a facility that the applicable generating or storage facility is connected to and which is either (i) directly connected to a regulated Electricity distribution system or (ii) connected to a regulated electricity transmission system directly or through one or more other facilities (which other facility is not, for greater certainty, a regulated electricity distribution system or a regulated load-serving entity).
Individual Development Experience	means either the Large Scale Individual Development Experience requirements set out in Section 3.2(a)(ii)(A) or the Small Scale Individual Development Experience requirements set out in Section 3.2(b)(ii)(A), as applicable.
IESO	means the Independent Electricity System Operator.
Large-Scale Entity Development Experience	means the requirements set out in Section 3.23.3 <u>3.23.3</u> (a)(i) (A) .
Large-Scale Individual <u>Entity</u> Development Experience <u>Threshold</u>	means the requirements set out in Section 3.23.3 <u>3.23.3</u> (a)(ii <u>ii</u>) (A) <u>i</u> .

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<u>Large-Scale Team Member Experience</u>	<u>means the requirements set out in Section 3.2(a)(i).</u>
Large-Scale LT1 Project	has the meaning given to that term in Section 1.4(b).
Laws and Regulations	means: (a) applicable Canadian federal, provincial or municipal laws, orders-in-council, by-laws, codes, rules, policies, regulations and statutes; (b) applicable orders, decisions, codes, judgments, injunctions, decrees, awards and writs of any court, tribunal, arbitrator, Governmental Authority or other Person having jurisdiction; (c) applicable rulings and conditions of any licence, permit, certificate, registration, authorization, consent and approval issued by a Governmental Authority; (d) any requirements under or prescribed by applicable common law; and (e) the Market Rules, as well as any manuals or interpretation bulletins issued by the IESO from time to time that are binding on the RFQ Applicant.
Long-Term Capacity Project	has the meaning given to that term in Section 1.4.
LT I Contract	has the meaning given to that term in Section 1.2.
LT1 RFP	has the meaning given to that term in Section 1.2.
LT1 RFQ	has the meaning given to that term in Section 1.2.
Mandatory Requirements	means the requirements set out in Section 3.2, as applicable.
Market Operating Experience	has the meaning given to that term in Section 3.2(a)(iii)(A).
Market Rules	means the rules made under section 32 of the <i>Electricity Act, 1998</i> (Ontario), as amended from time to time.
Material Deviation	means a deviation from the Qualified Applicant's or RFQ Applicant's obligations contained in this LT1 RFQ that, in the Discretion of the IESO (i) affects such party's or the IESO's obligations or rights in any material way; (ii)

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	affects the obligations or rights of other RFQ Applicants or Qualified Applicants under this LT1 RFQ; or (iii) results in a failure to satisfy a material component of any requirement set out in this LT1 RFQ.
MW	means megawatt.
New Build	means construction of a new generating or storage facility that is not an Expansion, Upgrade or Redevelopment of an existing generating or storage facility.
Non-Collusion Requirements	means requirements that an RFQ Applicant under the LT1 RFQ: <ul style="list-style-type: none"> (a) not coordinate its Qualification Submission with any other RFQ Applicant; (b) keep and will continue to keep its Qualification Submission confidential until the conclusion of the LT I RFQ and selection of the Qualified Applicant(s) if any; (c) ensure that no member of the RFQ Applicant Team has entered into any agreement or arrangement with any member of another RFQ Applicant which may affect the Qualification Submission submitted by the RFQ Applicant or the other RFQ Applicant; and (d) not engage in any activity or communication that results in a Conflict of Interest, collusion or a violation of any of the civil or criminal provisions of the <i>Competition Act</i> (Canada).
OEB	means the Ontario Energy Board.
Operating	means prior demonstrable experience operating, monitoring, maintaining, inspecting and repairing an Electricity resource.
Permitted Purposes	has the meaning given to it in Section 2.5.
Person	means a natural person, firm, trust, partnership, limited partnership, company or corporation (with or without share capital), sole proprietorship, Governmental Authority or other entity of any kind.
Planning	means prior demonstrable experience preparing, designing,

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	scheduling, engineering and procurement of materials and equipment for an Electricity resource.
Prescribed Form	means, in relation to a form, the latest version available on the Website of the corresponding form attached to this LT1 RFQ, as may be amended or replaced by the IESO from time to time and without notice to the RFQ Applicant.
Qualification Submission	means a submission made pursuant to this LT1 RFQ, as outlined in Section 2.7.
Qualification Submission Deadline	means the Qualification Submission Deadline date as set out in the Schedule.
Qualification Submission Fee	has the meaning given to it in Section 2.7(b)(i).
Qualified Applicant	means an RFQ Applicant whose Qualification Submission has been selected and accepted by the IESO, in accordance with this LT1 RFQ.
Qualifying Experience	means Entity Development Experience, Individual Development Experience and Market Operating Experience and <u>Team Member Mandatory Requirements</u> , as applicable.
Qualifying Large-Scale Project	has the meaning given to it in Section 3.23.3 (a)(i).
Qualifying Small-Scale Project	has the meaning given to it in Section 3.23.3 (b)(i).
Question and Comment Deadline	means the deadline specified in the Schedule for asking questions regarding this LT1 RFQ.
Redevelopment	Means the modification of an existing Electricity resource which in the reasonable judgement of the IESO satisfies the following criteria: (a) absent redevelopment the existing Electricity resource must be near to the end of its useful life; (b) the physical infrastructure constituting the existing Electricity resource is being substantially replaced; and (c) following redevelopment the expected life of the redeveloped Electricity resource would be comparable with that of a New Build.
RFQ Applicant	means a Person or group of Persons that submits a Qualification Submission in response to this LT1 RFQ and that will be responsible to develop, finance, own, operate and maintain a Long-Term Capacity Project if awarded a long-term capacity contract under any LT1 RFP.
RFQ Applicant Team	means, collectively, an RFQ Applicant, its Designated

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	Team Members and all entities and persons (including any Control Group Member named in the Qualification Submission) involved in the preparation of the RFQ Applicant's Qualification Submission under this LT1 RFQ and/or required by the RFQ Applicant to successfully submit its Qualification Submission for this LT1 RFQ.
Small-Scale Entity Development Experience	means the requirements set out in Section 3.23.3 (b)(i)(A).
Small-Scale Individual Entity Development Experience <u>Threshold</u>	means the requirements set out in Section 3.23.3 (b)(ii)(A <i>i</i>).
<u>Small-Scale Team Member Experience</u>	<u>means the requirements set out in Section 3.2(b)(i).</u>
Small-Scale LT1 Project	has the meaning given to it in Section 1.4(a).
<u>Team Member Mandatory Requirements</u>	<u>mean, in respect of Large-Scale LT1 Projects, the Large-Scale Team Member Experience and, in respect of Small-Scale LT1 Projects, the Small-Scale Team Member Experience.</u>
Transmission System	means a system for conveying Electricity at voltages of more than 50 kilovolts and includes any structures, equipment or other things used for that purpose.
Transmission System Code	means the "Transmission System Code" approved by the OEB and in effect from time to time, which, among other things, sets the standards for a Transmitter's existing Transmission System and for expanding the Transmitter's transmission facilities in order to connect new customers to it or accommodate increase in capacity or load of existing customers.
Transmitter	means a Person licensed as a "transmitter" by the OEB in connection with a Transmission System.
UCAP	means unforced capacity, being that portion of a generation or storage facility's installed capacity that is available to meet electricity system needs on an ongoing basis, determined in accordance with the IESO's published formulas for individual Projects and technologies.
Upgrade	

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	<p>Means the refurbishment or replacement of equipment or technology in respect of an Electricity resource that is the subject of an existing contract with the IESO or Ontario Electricity Financial Corporation which provides better or improved performance, but which does not constitute an Expansion.</p>
<p>Website</p>	<p>means that section of the IESO’s website referenced as “LT1 RFQ” that is dedicated to this LT1 RFQ process and is <u>at https://ieso.ca/en/Sector-Participants/Engagement-Initiatives/Engagements/Long-Term-RFP</u>.</p>

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