

## Exemption Application Form

Submit this form by e-mail to: [exemptions@ieso.ca](mailto:exemptions@ieso.ca)

All information submitted in this process will be used by the *IESO* solely in support of its obligations under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, the *market rules* and associated policies, standards and procedures and its licence. All submitted information will be assigned the appropriate confidentiality level upon receipt.

Terms and acronyms used in this Form that are italicized have the meanings ascribed thereto in Chapter 11 of the *market rules*.

### Part 1 – General Information

Date Submitted to the IESO:	April 16, 2025
Organization Name:	Napanee BESS Inc.
Address:	1415 Joshuas Creek Drive, Suite 200
City/Town:	Oakville
Province:	Ontario
Postal/Zip Code:	L6H 7G4
Email Address:	<a href="mailto:noralyn.vasquez@aturapower.com">noralyn.vasquez@aturapower.com</a>

## Part 2 – Information About the Exemption Application

Please specify the duration for which you would like the exemption granted in days, months or years:	Napanee BESS Inc. request that the exemption remain in effect until completion of (i) the commissioning of the facility and achievement of commercial operation under the E-LT1 Contract (ii) the IESO assessment of the initial metering installation (iii) the procurement and delivery of the new metering equipment, and installation, testing and registration approval of the new metering equipment.
Please cite the <i>market rules</i> section number(s) or the <i>market manual</i> , policy, standard or procedure to which this <i>exemption application</i> relates:	Chapter 6 Wholesale Metering, Metering Market Manual 3.7 Totalization Table Registration, Metering Market Manual 3.8 Creating and Maintaining Delivery Point Relationships, and Chapter 9 Settlements and Billing.

## Part 3 – Type of Exemption Application Request

<input type="checkbox"/> The <i>exemption applicant</i> requests an <i>exemption</i> pursuant to section 1.6.3 of Market Manual 2.2: Exemption Applications <p style="text-align: center;">OR</p> <input checked="" type="checkbox"/> The <i>exemption applicant</i> requests an interim <i>exemption</i> pursuant to section 1.6.2 of Market Manual 2.2: Exemption Applications staying the <i>exemption applicant's</i> obligation to comply with the following <i>market rules</i> listed in Part 2 of this form <p>*The <i>IESO</i> recommends that the <i>exemption applicant</i> contact the <i>IESO's</i> Market Assessment and Compliance Division regarding the compliance and enforcement measures the <i>IESO</i> intends to take pending the hearing of the <i>exemption</i> as in some cases it may not be necessary for the <i>exemption applicant</i> to seek an interim <i>exemption</i>.</p>
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## Part 4 – Supporting Documentation to be Attached by Exemption Applicant

<p>The <i>exemption applicant</i> shall attach a plan detailing:</p> <ul style="list-style-type: none"> <li>• The manner and time within which the <i>exemption applicant</i> will become compliant;</li> <li>• The manner in which the <i>exemption applicant</i> proposes to modify its equipment or <i>facilities</i> or otherwise conduct its operations during the period of time for which the <i>exemption</i> would be in effect; and</li> <li>• The <i>exemption applicant's</i> estimate of any costs that may be imposed on the <i>IESO</i> or on other <i>market participants</i>, if the <i>exemption</i> were granted.</li> </ul> <p>Additionally, the criteria listed in section 1.5.2 of Market Manual 2.2: Exemption Applications should be considered and detailed in the <i>exemption applicant's</i> plan and as appropriate, supported by additional documentation.</p> <p>1. <i>Exemption Plan</i> (Partially Confidential)</p>
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## Part 4 – Supporting Documentation to be Attached by Exemption Applicant

2. *SIA Final Report* (Public Report only)
3. *Single Line Diagram* (Confidential)
- 4.
- 5.

## Part 5 – Certification

The *exemption applicant* hereby declares that the information contained in and submitted in support of this document is, to the best of the *exemption applicant's* knowledge, complete and accurate.

Noralyn Vasquez

Name

Senior Manager, Project Integration & Strategic Initiatives

Title

## Part 6 – Confidentiality

- ☒ The *exemption applicant* agrees that information in this *exemption application* may be posted in its entirety on the *IESO* website
- OR*
- ☐ The *exemption applicant* claims confidentiality over parts of this *exemption application* in accordance with Section 1.6.4 of Market Manual 2.2: Exemption Applications. The parts of this *exemption application* over which confidentiality is claimed are highlighted. The balance of the information in this *exemption application* may be posted on the *IESO* website.

# Exemption Plan

## A. Introduction

Napanee BESS Inc. is a joint venture between Portlands Energy Centre L.P. (“**Atura Power**”) and Ameresco Canada Inc. (“**Ameresco**”) with ownership of 89.9% and 10.1%, respectively. Napanee BESS Inc. is constructing a 250 MW battery energy storage system (“**BESS**”) after it was awarded a contract by the IESO as part of the Expedited Long-Term procurement initiative to address the energy supply shortfall that Ontario is projected to experience in the near future (the “**E-LT1 Contract**”).

Portlands Energy Centre L.P. is a market participant registered as a generator which owns and/or operate approximately 2700 MW of gas-fired facilities including the Halton Hills Generating Station, Napanee Generating Station, Portlands Energy Centre and Brighton Beach Generating Station. Atura Power will be the operator of the BESS facility.

This Exemption Plan contains certain confidential information and has been marked “**Confidential**” accordingly.

## B. Exemption Request

Pursuant to the IESO Market Rules, Napanee BESS Inc. is applying for an interim exemption from the application of Chapter 6 Wholesale Metering, Metering Market Manual 3.7 Totalization Table Registration, Metering Market Manual 3.8 Creating and Maintaining Delivery Point Relationships, and Chapter 9 Settlements and Billing. The interim exemption will allow for the commissioning and commercial operation of BESS while Atura Power completes the procurement, delivery, installation, registration, testing and place in production the new metering equipment that meet the IESO Market Rules.

## C. BESS Project Overview

The project will include the construction of battery energy storage units, transformer stations (TS), transmission connection facilities, and ancillary components. The project will ultimately provide a maximum of 250 megawatts (MW) of power storage and up to four hours of electricity output available during periods of high electricity grid demand. BESS is located adjacent to Atura Power’s Napanee Generating Station (“**NGS**”) and Ontario Power Generation’s Lennox Generating Station (“**LGS**”) in the Town of Greater Napanee, Ontario. BESS will use some of the existing infrastructure but will be a standalone facility, operating independently of the NGS and LGS.

The project will require the construction of a new high-voltage TS to step-up power received from the BESS at 34.5 kilovolts (kV) and deliver it to the high voltage (500 kV) IESO controlled electricity grid. A high voltage BESS tap line (500 kV and less than two kilometres in length) will connect the new transformers to the IESO-controlled electricity grid at a point of interconnection within the NGS switchyard.



Further details on the project can be found in the Final System Impact Assessment Report dated July 11, 2024 (CAA ID: 2023-746) (Public Report only).

#### **D. BESS Project Operation (*Confidential*)**

*The manner in which the exemption applicant proposes to operate or modify its equipment or facilities or otherwise conduct its operations, during the period of time for which the exemption would be in effect so as to operate in a manner that achieves, as closely as possible, the objectives of the obligation or standard to which the exemption application relates;*

[REDACTED]

[REDACTED]

[REDACTED]

#### Metering Installation

During the exemption period, BESS will have one (1) primary meter on the high voltage side of the transformer that will be utilized to settle and provide visibility to IESO. **At any given point in time, BESS will either be a “generator” or a “load” but not both simultaneously** based on BESS expected operation outlined above and having a single site controller.

#### Other Considerations

- BESS has a single site controller located on the high voltage side of the main 500kV transformer, which interacts with BESS hardware to manage and respond to dispatches received from the IESO. The control system will comply with IESO dispatch instructions

and distribute dispatches to the feeders based on proprietary technology developed by the OEM.

- BESS is expected to commence commissioning activities in late Q4-2025.

#### **E. Equipment Modification:**

Atura Power, and its Engineering Consultant and Metering Service Provider (MSP), are in the process of determining the appropriate metering equipment design required to comply with the IESO Market Rules. Following confirmation, Atura will obtain third party quotes and information on the expected lead time to procure and deliver the necessary equipment. Prior to the procurement of the metering equipment, Atura Power will confirm with IESO if such equipment meets their requirement under the Market Rules.

Based on the MSP experience and preliminary discussions with a 3<sup>rd</sup> party, the lead time may be more than six (6) months and such additional time for installation and testing of the equipment. The later will require outage coordination with the existing NGS facility, the timing of which to be aligned with NGS planned maintenance activities. If the IESO rejects the interim exemption and instructs Atura Power to install the metering equipment as a condition to receiving a Registration Approval Notice (RAN) from the IESO to commence commissioning activities, it will create project delays and place the **project at risk to achieve the commercial operation milestone date under the E-LT1 Contract of May 2026.**

#### **F. Estimated Costs**

*The exemption applicant's estimate of any costs that may be imposed on the IESO or on other market participants if the exemption to which the exemption application relates was granted and the exemption plan was implemented;*

Receiving the exemption approval will benefit the system as BESS capacity is made available to meet Ontario's demand and reserve requirements.

#### **G. Metering Compliance Plan**

*The manner and time within which the exemption applicant will become compliant with the obligation or standard to which the exemption application relates; and*

The initial or interim metering installation will be in place until the following have been achieved:

- BESS has completed its commissioning activities and has received approval by the IESO as a dispatchable generation and load.
- IESO has assessed and has finalized its determination of the initial metering installation.
- If the initial metering installation continues to be non-compliant, Atura will procure the new metering installation.
- The new meters will be installed, tested and obtain registration approval from the IESO.

#### **H. Additional Documents**

*Additional supporting documentation, as appropriate, to assist the Panel in its review.*

- Final System Impact Assessment Report dated July 11, 2024 (CAA ID: 2023-746) (Public Report only)
- The Single Line Diagram (**Confidential**)