

LT1 RFP Question and Comment Period – Batch 1 (October 23, 2023)

Questions and Comments

The following document summarizes IESO responses to the first batch of questions and comments submitted to the IESO in respect of the final LT1 RFP documents posted on September 29th, 2023, that were submitted pursuant to section 3.2(a) of the Long Term 1 Request for Proposals (LT1 RFP) prior to the Question and Comment Deadline.

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Defined Terms

Capitalized terms used in the IESO Responses in this document, unless otherwise defined herein have the meaning given to such terms in the LT1 RFP.

LT1 RFP

Question/Comment	IESO Response
<p>1. Could you provide guidance on the process if a proponent requires a change to a Connection Point location of an LT1 Reliability Project which received 'Deliverable' or 'Deliverable but competing' results from the LT1 Deliverability Testing, to confirm that such change of connection point location is consistent between the Deliverability Test results as per the electrical point of connection definition.</p> <p>Can we submit the new coordinates of a connection point in relation to the LT1 reliability project's received deliverability test results for a confirmation?</p>	<p>The LT1 RFP requires that the Connection Point is consistent between the Deliverability Test results and the LT1 RFP Proposal. Note that the Connection Point for connection to the transmission system is defined as "the electrical point or points of connection". As a result, the Connection Point, GPS Coordinates and connection configuration (identified via circuit(s) or transformer station(s) or distribution feeder lines) which received "Deliverable" or "Deliverable but Competing" results from the LT1 Deliverability Test must be consistent in the Proposal.</p> <p>In the case of New Build projects, the Deliverability Test Results letter specifies that information included in the Deliverability Test results related to the Connection Point (including the GPS coordinates) will be used for purposes of subsequent deliverability testing under Stage 5 of the LT1 RFP.</p> <p>Stakeholders are reminded that Deliverability Test results are distinct from, and do not guarantee, the ability to connect to the Connection Point pursuant to Laws and Regulations.</p>
<p>2. Our property has passed the deliverability test and we are in the contract stage with one of the Proponents to allow them to submit a LT1 Proposal that will be located on our property.</p> <p>I have been reading all the information from other locations and most likely the Municipality/Town will be as concerned about decommissioning as much as we are. However, we are the landlord and will be liable for future unforeseen circumstances</p>	<p>During the decommissioning process of an electrical generation or storage Facility, a Supplier would be subject to all applicable Laws and Regulations for the jurisdictions in which the Facility is located.</p> <p>The decommissioning of a Facility is likely to take place after the term of the LT1 Contract has expired. At that point, the IESO's involvement in a Facility's decommissioning process would be in its role as system operator, in relation to the removal of the Facility from the IESO administered markets and the</p>

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<p>after the Proponent transfers ownership during the contract term.</p> <p>There is a need for a financial guarantee to the Municipality, Town, or landlord which comes in the form of a surety/decommissioning bond or a security in the form of a letter of credit so that there is a guarantee that money is available to carry out facility decommissioning in the event of unforeseen circumstances, such as the Proponent selling the project to another entity or the Proponent (or any other entity that may own or operate the facility) going out of business. This surety bond/decommissioning bond should be renewed annually or the security in the form of a letter of credit should remain for the entire lease term and be available for any party performing the decommissioning, such as a Municipality, Town or landlord.</p> <p>We need to know from IESO if there is a decommissioning standard or compliance guideline that we can reference to. The cost of decommissioning and the decommissioning bond is to be estimated on behalf of the Proponent by their engineering consultants, following industry standards.</p> <p>Please let me know where we will be able to locate this information.</p>	<p>monitoring for reliability of the IESO-controlled grid as the Facility was disconnected from the grid. The IESO does not publish standards or impose requirements for the physical decommissioning of the civil infrastructure of a Facility, nor set related compliance guidelines. The IESO would suggest that you discuss any applicable bylaws and/or regulations that may govern the siting and decommissioning of this facility with your local governing body (i.e., Municipality) or other Governmental Authorities with jurisdiction over environmental, construction and land use matters.</p>
<p>3. (a) Indigenous Participation What would the Indigenous Participation Level be for a Supplier partially owned by 6 Indigenous Communities collectively having 50% Economic Interest of the Supplier with one Indigenous Community having 10% Economic Interest of the Supplier and 5 Indigenous Communities having 8% Economic Interest each? Essentially the question is if only the one Indigenous</p>	<p>(a) See question 3.20 from the LT1 RFP FAQ for purposes of the determination of the Proponent Indigenous Participation Level. The scenario described would result in a 50% Proponent Indigenous Participation Level, provided that the 6 Indigenous Communities hold their interest directly or through one or more Indigenous Holding Vehicles.</p>

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<p>Community with 10% Economic Interest would be considered for the determination of the Indigenous Participation Level or if the collective Indigenous Community ownership would be considered.</p> <p>(b) If a Supplier with an Indigenous Participation Level of 50% with Economic Interest held by 5 Indigenous Communities having 10% each wanted to utilize the mechanism in article 16.7 (b) in the LT1 Contract to reduce the Supplier Economic Interest to 10%, what options would be available to the Indigenous Communities to accomplish this? For instance, could the level of Economic Interest held by each community be reduced to 2% each (i.e. 10% total), or would 4 of the 5 Indigenous Communities need to relinquish their Economic Interest, leaving only one Indigenous Community holding an Economic Interest of 10%?</p> <p>(c) If several Indigenous Communities form a company (Indigenous Company) that is wholly owned by those Indigenous Communities and Indigenous Company holds an Economic Interest in a Supplier, is there a way for the Indigenous Participation Level of the Supplier to be determined based on the Economic Interest held by the Indigenous Company and if so, how should the Evidence of Indigenous Community Participation form be completed? If the Indigenous Participation Level of the Supplier is determined based on the Economic Interest held by the Indigenous Company rather than individual Indigenous Communities, it would provide Indigenous Communities with more ability to manage how they participate along side other Indigenous Communities.</p> <p>(d) The definition of Indigenous Community in the LT1 Contract refers to a "Person,</p>	<p>(b) Article 16.7(b) of the LT1 Contract allows an individual Indigenous Community that holds more than a 10% Economic Interest in the Supplier (including through an Indigenous Holding Vehicle) to reduce their Economic Interest to an amount that is not less than 10%, prior to the 5th anniversary of the COD. The ability to reduce the Indigenous Participation Level to no less than 10% can only be initiated by an Indigenous Community that holds more than 10% of the Economic Interest in the Supplier.</p> <p>(c) See question 3.20 from the LT1 RFP FAQ.</p> <p>(d) This section of the definition of "Indigenous Community has been removed. Please refer to the new definition of "Indigenous Holding Vehicle", as further set out in question 3.20 from the LT1 RFP FAQ.</p> <p>(e) For a Non-Electricity Storage Facility, Proponents are expected to manage their available fuel supply and any supply chain constraints (see article 2.6 of the LT1 Contract). Where eligible, Proponents may submit a claim for Force Majeure where fuel supply is unavailable (see article 11.3(f) of the LT1 Contract). However, a Supplier may not claim Force Majeure where they caused the event by failing to procure or maintain fuel supply or delivery services (see article 11.2(a) of the LT1 Contract).</p>

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<p>other than a natural Person, that has been determined by the Government of Ontario (for purposes of this LT1 Contract or otherwise) to represent the collective interests of a community that is composed of indigenous natural Persons in Ontario". Is this Person above referring to a company that is owned by Indigenous Communities? And if so, what is meant by the reference determination by the Government of Ontario, for instance, is this highlighting that the Government of Ontario will be reviewing this aspect of proposals submitted into the LT1 RFP, or is this a different determination that is required to have occurred in advance of proposal submission?</p> <p>(e) Non-Storage Resource: Access to Fuel Supply If a Supplier is able to acquire gas transportation services for most days of the year, but after using commercially reasonable efforts the Supplier is unable to access gas transportation services for some [X] number of days in the year, would the IESO be prepared to provide relief for fuel unavailability?</p> <p>Ideally relief would be from losing the capacity payment but at least against those hours (where the Supplier cannot access gas supply) counting towards the cumulative unavailability. Alternatively, if the IESO is not willing to entertain either of those options, would the IESO consider increasing the level of unavailability before contract default?</p>	
<p>4. I am wondering if anyone from your team might be able to clarify whether there are any limitations on selling or transferring deliverability test results between Qualified Applicants – The RFP document notes that a “. . . Deliverability Test result (which, for</p>	<p>Deliverability Test results are specific to a project and valid only for the project for which they were received. A project that has received either a “Deliverable” or “Deliverable but Competing” Deliverability Test result may be sold or transferred to another Qualified</p>

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<p>greater certainty, may have been issued to a Person other than the Proponent) shall be provided. . ." along with the rest of the documents as part of the RFP submission, but I can't seem to find anything more definitive on this point.</p>	<p>Applicant prior to the Proposal submission under the LT1 RFP. For more information on the sale of a project that has received a Deliverability Test Result of "Deliverable" or "Deliverable but Competing" see question 1.1 of the LT1 RFP FAQ.</p>
<p>5. Our Township is being asked to support a proposal for Battery Energy Storage Project on prime agricultural land.</p> <p>a. Can municipalities refuse these and direct them to poorer class soils?</p> <p>b. Can municipalities require these sites to be rezoned?</p> <p>c. Can municipalities require these site to go through site plan control under the Planning Act?</p>	<p>Per article 2.14 of the LT1 Contract, all Selected Proponents must obtain a Municipal Support Confirmation either at the time of Proposal submission to the LT1 RFP or otherwise no later than sixty (60) days, after the eighteen (18) month anniversary of the Contract Date. Municipalities are able to grant support or not, at their own discretion. Furthermore, successful Proposals are subject to all applicable Laws and Regulations, including local by-laws and planning, permitting, or zoning requirements.</p>
<p>6. Who would be the best person to talk about the payments we will get from the IESO if a project gets awarded a LT1 contract?</p> <p>We are trying to understand what the role of our project will be in the market if we have a contract with the IESO on capacity</p>	<p>Selected Proponents will receive a Monthly Payment as described in article 4.1 of the LT1 Contract and calculated in accordance of Exhibit J of the LT1 Contract.</p> <p>Fulfillment of the Must-Offer Obligation in Article 3.1 of the LT1 Contract will require participation in the IESO's Energy Market. Selected Proponents will also be eligible to participate in any of the other IESO-Administered Markets or programs provided they meet the respective requirements, and that they do not enter into commitments that conflict with the Supplier's ability to satisfy the Must-Offer Obligation during the Term (see article 2.12 of the LT1 Contract). For details on the IESO-Administered Markets or programs, Proponents are encouraged to visit the IESO Training Materials webpage or contact customer.relations@ieso.ca.</p>

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<p>7. Our Non-Electricity Storage Proposal received a favorable (“Deliverable but Competing”) Deliverability Test Result at our existing natural gas facility on two transmission circuits. Another power provider whom is interested in partnering/purchasing us also received a favorable Deliverability Test result for their Electricity Storage Proposal which has a point of connection that is 2km from our existing facility and on the same two transmission circuits.</p> <p>If we partner or if one entity purchases the other entity, may we move the Electricity Storage Proposal onto the existing site with our current natural gas facility? This would bring down project costs for both projects and be favorable for the rate payer. To my understanding this was allowed under the recent E-LT1 RFP/Same technology upgrades, however we would like clarification if this is possible in the LT1 RFP?</p>	<p>The location of a battery storage Long-Term Reliability Project may be changed between the Deliverability Test results and Proposal submission, provided that the Connection Point for which the project received a “Deliverable but Competing” result as part of the LT1 Deliverability Test does not change. Please refer to Question 1.</p>
<p>8. I read the requirements as an Officer of the proponent company is required to sign the Evidence of Community Participation, and the Attestation that the project is in the traditional territory of the Indigenous community must have appropriate authority as mandated by Chief and Council, or by existing approved operating policy.</p>	<p>As indicated in the Prescribed Form: Community Engagement Requirements, the Prescribed Form must be signed by a person with authority to bind the Proponent.</p> <p>Where the Proponent is seeking Rated Criteria Points under section 4.3(b) of the LT1 RFP, the Attestation submitted as part of LT1PF-IP200 - Prescribed Form: Evidence of Indigenous Community Participation must be from an Individual with authority to bind the applicable Indigenous Community.</p>
<p>9. Section 2.1 of the RFP outlines eligibility requirements. The owner of our existing facility is not a Qualified Applicant under the LT1 RFQ. An RFP submission is being contemplated as an Eligible Expansion Counterparty. The RFP has a definition of an Eligible Existing Facility as "an existing,</p>	<p>In the LT1 RFP, Eligible Existing Facility is defined as: “an existing, licensed, operating Electricity generation or storage facility that is registered or able to become registered in the IESO-administered markets and that, at any time since January 1, 2020, has been the subject of a contract with the IESO or the</p>

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<p>licensed, operating Electricity generation or storage facility that is registered or able to become registered in the IESO-administered markets and that, at any time since January 1, 2020, has been the subject of a contract with the IESO or the Ontario Electricity Financing Corporation, or a commitment under the IESO's Capacity Auction administered under the Market Rules, for the delivery of Electricity, Capacity Product or Ancillary Services."</p> <p>Could I please get a clarification on when the capacity auction commitment would need to be? Is it anytime between January 1, 2020 and the COD of the contract or January 1, 2020 and the RFP submission date? The facility is currently registered in the IESO-administered market but the capacity auction commitment is anticipated to be received in the upcoming auction for delivery in 2024.</p>	<p>Ontario Electricity Financing Corporation, or a commitment under the IESO's Capacity Auction administered under the Market Rules, for the delivery of Electricity, Capacity Product or Ancillary Services."</p> <p>In order to be considered an Eligible Existing Facility, the Facility in question must have been the subject of a contract with the IESO or OEFC, or a commitment under the IESO's Capacity Auction between January 1, 2020 and the time of Proposal Submission. For clarity, any existing facility which received a commitment for the 2024 obligation period through the 2023 Capacity Auction, the results of which are expected to be available prior to Proposal Submission, would be considered as an Eligible Existing Facility. For further clarity, a list of Facilities which have received a commitment in past Capacity Auctions may be found by visiting the IESO's Capacity Auction homepage.</p>
<p>10. I am working on an off-market pilot land deal and speaking to technology provider to service the land and connect to the grid. This opportunity will provide affordable power to the affordable retirement community.</p> <p>I have a few questions for how to best position a behind-the-grid development opportunity that can also support the grid with baseload power.</p> <p>a) Is there opportunity to bring forward a proposal of a Canadian closed loop technology that is scalable and can be used for district heating and cooling?</p> <p>b) Is there opportunity for me to pull together a utility scale solution with the tech company and my utility network with energy leadership for this RFP?</p>	<p>a) The LT1 RFP is a technology agnostic procurement in which the IESO will evaluate Long-Term Reliability Projects that meet the Eligibility Requirements in section 2.1 of the LT1 RFP and meet the Mandatory Requirements in section 4.2 of the LT1 RFP.</p> <p>b and c) In order to be eligible to submit a New Build Long-Term Reliability Project as part of the LT1 RFP, a Proponent would have to either be a Qualified Applicant (or a Person Controlled by a Qualified Applicant), by virtue of participation in the LT1 RFQ or an Eligible Expansion Counterparty (see definition in response to Question #9). In both cases, to be eligible to submit Proposal to the LT1 RFP, the subject project must have been submitted to the IESO's Deliverability Test process, which took place between July and September of this year and has now concluded.</p>

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<p>c) Can the technology connect into another utility proposal?</p> <p>d) Do you anticipate another energy or storage RFP?</p> <p>e) Is there an open RFP in Ontario for DERs?</p>	<p>d) The LT1 RFP is the first of multiple upcoming long-term RFPs issued by the IESO. Engagement for the next long-term procurement, the LT2 RFP, is expected to begin in the coming weeks.</p> <p>e) Current and prospective Market Participants interested in distributed energy resources (DERs) are encourage to participate in the IESO’s on-going DER Roadmap Engagement.</p>
<p>11. We are in an early planning phase of upgrading transmission line capacity and expanding upon the existing grid infrastructure to accommodate both residential/commercial development.</p> <p>Our interest in IESO’s launch of the Long-Term Request for Proposals (LT1 RFP) includes an interest in potentially being in a future position to develop an energy project proposal that can augment power reserve supply to the grid.</p> <p>a) My first question here relates to the Final LT1-RFP document below in which eligibility criteria states:</p> <p>SECTION 2 – ELIGIBILITY AND CONTRACTUAL REQUIREMENTS</p> <p>2.1 Eligibility Requirements</p> <p>(a) Qualified Applicant</p> <p>(i) Subject to section 2.1(b), the LT1 RFP process is only open to those Proponents who:</p> <p>(A) qualified as a Qualified Applicant under the LT1 RFQ for either Large-Scale LT1 Projects or Small-Scale LT1 Projects, or Persons Controlled by such Qualified Applicants; or</p> <p>(B) are Eligible Expansion Counterparties.</p> <p>(ii) Any and all other parties who are not Qualified Applicants or are not Controlled by a Qualified Applicant or are not Eligible Expansion Counterparties are not eligible to participate in this LT1 RFP.</p>	<p>a) In order to be eligible to submit a New Build Long-Term Reliability Project as part of the LT1 RFP, your party would have to either be a Qualified Applicant, by virtue of participation in the LT1 RFQ or an Eligible Expansion Counterparty.</p> <p>If neither of these criteria are met, the only remaining avenue to participate in the LT1 RFP would be to partner with a Proponent who has qualified as a Qualified Applicant under the LT1 RFQ. Section 1.2(f) of the LT1 RFP outlines the minimum capacity that will be considered for a Long-Term Reliability Project.</p> <p>b) The question related to the IESO’s Integrated Regional Resource Plan (IRRP) affecting East Lake Superior is outside of the scope of the LT1 RFP and therefore cannot be addressed as part of the LT1 RFP Question and Comment period. Interested parties are encouraged to contact customer.relations@ieso.ca for details on the IESO’s IRRP.</p> <p>c) The IESO can confirm that the Deliverability Test establishes the Maximum Contract Capacity, not the Nameplate Capacity.</p> <p>d) The day on which a substitute holiday is observed for a public holiday is set forth by the Government of Ontario. The definition of “Business Day” for purposes of the LT1 RFP and LT1 Contract is based on IESO published conventions for this purpose.</p>

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<p>Do we qualify to submit an RFP? And what is the minimum MW output IESO would accept in an energy storage project?</p> <p>b) My next query relates to IESO’s IRRP affecting East Lake Superior that has been determined as requiring a bulk system reinforcement single circuit 230kv transmission line. This is to be built to 500kv standards for the connection between Wawa and Porcupine TS. This is projected to be complete by 2030. This is an important development, how might this impact power distribution?</p> <p>I have reached out to Indigenous Relations at IESO asking to connect with the technical team to discuss issues related to the proposed IRRP but have yet to be connected to the appropriate department.</p> <p>It is also imperative that the protocols of proper engagement and consultation, and any benefit agreement negotiations are observed as stated by IESO re: RFP submissions: (the proponents) must carry out Indigenous engagement through the development and publication of a Community and Indigenous Engagement Plan, and the holding of a public community meeting.</p> <p>c) Can you confirm that the Deliverability result sets the Maximum Contract Capacity, and not the Nameplate Capacity? As a result, the Nameplate capacity could be 5% higher than the results from the Deliverability test (i.e., if we are deliverable at 100MW, then the Nameplate Capacity can be 105MW and the Contract Capacity would be 100MW).</p>	

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<p>d) If a statutory holiday falls on a Saturday, is the holiday recognized on the Friday before or the Monday after?</p>	
<p>12. Can you please provide some information on what the qualification process will be for LT2 that kicks off this fall?</p> <p>Will there be an RFQ that will kick off and LT2 should follow the same timeline as LT1?</p> <p>Any information would be helpful, I want to make sure that I do not miss any deadlines to qualify to participate next time around.</p>	<p>Information on future procurement opportunities is expected to be shared in the coming weeks. Interested parties are encouraged to subscribe to updates on the IESO’s Long-Term RFPs.</p>
<p>13. We have the following questions regarding the LT1 RFP:</p> <p>In relation to the LT1 RFP, Appendix A- “GLOSSARY OF TERMS” provides the following definition of Proposal Security: “[...] one or more irrevocable and unconditional standby letters of credit issued by a financial institution listed in either Schedule I or II of the Bank Act (Canada) or such other financial institution having a minimum Credit Rating of (i) A- with S&P, (ii) A3 with Moody’s, (iii) A (low) with DBRS Morningstar, or (iv) A- with Fitch IBCA [...]”.</p> <p>Based on this definition and the possibility to present a Letter of Credit issued by a financial institution not listed in either Schedule I or II of the Bank Act (Canada), our understanding is that the Proposal Security may be issued by a non-Canadian entity as long as it complies with the requirements of LT1 RFP.</p> <p>However, APPENDIX D – FORM OF IRREVOCABLE AND UNCONDITIONAL STANDBY LETTER OF CREDIT provides that the Expiry Place of the Proposal Security shall be the “Counters of the issuing financial institution in Toronto, Ontario”. This limits the possibility for a foreign financial institution to issue the Proposal Security. And yet, the reissuance by a local financial institution having counters in Toronto</p>	<p>The definition of “Proposal Security” in the LT1 RFP requires that the letter of credit be “substantially in the form attached as Appendix D”. The Proposal Security may be issued by a non-Canadian financial institution that meets the requirements of the definition of Proposal Security.</p> <p>However, the IESO views the requirement of having local counters in Toronto (either by the issuing financial institution or a local affiliate) for purposes of enabling IESO enforcement on the letter of credit to be a substantive element of the required form. The IESO must be able to draw on the letter of credit locally in the city of Toronto.</p>

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<p>significantly increases the issuance costs and hence affect the competitiveness of offers that need to follow such issuance process.</p> <p>As our intention is to limit the above-mentioned financial impacts without affecting our compliance with the RFP and provides IESO with the most competitive offer possible:</p> <ol style="list-style-type: none"> 1. We would like to determine if the Proposal Security may be a Letter of Credit issued by a financial institution meeting the criteria outlined in the RFP but having no counters in Toronto; subject to the fact that the drawdown of the Proposal Security can be made under similar conditions at the counters of a local partner institution of the Issuing Bank, also meeting the criteria outlined in the RFP? 2. If said issuance scheme is acceptable to IESO, <ol style="list-style-type: none"> a. Could IESO please confirm that a local issuance of the Letter of Credit is not mandatory? b. Could IESO also provide all participants with all necessary adjustments to LT1 RFP documents (including APPENDIX D – FORM OF IRREVOCABLE AND UNCONDITIONAL STANDBY LETTER OF CREDIT) so as to reflect this issuance scheme? 	
<p>14. I am sending this email to confirm and identify areas for the proposed energy storage locations.</p> <p>Given that southern Ontario will be in need the most, it was passed on information that there is a bottleneck in the Sudbury Area. What I am trying to find out is, if we pursue this, and to save time and costs associated, are we able to make a legitimate run at this, or are we out of the area intended to be interest areas for this storage project?</p> <p>I am trying to figure out if there is a map of areas on interest for the proposed call for energy storage. I am trying to see if it is time and cost effective to get a consideration for</p>	<p>The IESO has not published any maps outlining areas of need or connection availability for the LT1 RFP. The IESO did, however, publish some general locational guidance in its Deliverability Test Guidance Document. As noted in that document, existing transmission system constraints would substantially limit the ability of projects located in the Northeast Electrical Zones to participate in the LT1 RFP.</p> <p>At this time, only Qualified Applicants or Eligible Expansion Counterparties with Long-Term Reliability Projects that participated in the LT1 Deliverability Test process are eligible to submit Proposals to the LT1 RFP; that Deliverability Test process has now concluded and Results</p>

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<p>proposal if we Whitefish River First Nation are not in the scope of proposed areas. For clarity, is there a map of areas, to see if we fall into the proposed project.</p> <p>Can you send or direct me to a map of interest?</p> <p>Do the areas of Espanola and Manitoulin have areas intended in the LT1 procurement (as they would and could be partners in project, municipalities wise)?</p>	<p>from the LT1 Deliverability Test have been published with successful projects receiving a 'Deliverable but Competing' result.</p> <p>The LT1 RFP is the first of a cadenced set of long-term procurements to be conducted by the IESO. Information on future procurement opportunities is expected to be shared in the coming weeks. Interested parties are encouraged to subscribe to updates on the IESO's Long-Term RFPs.</p>
<p>15. According to the "Long Term 1 RFP - Final Documents Posted and LT1 update" email that our company has received, it requires previous qualification of our company to participate in Long-Term 1 RFP. We have plans to develop four solar farms according to the preliminary plans attached to this email. Hence, we would like to participate in the Long Term 1 RFP or any further RFPs you might have.</p> <p>Please advise whether and when we can apply to qualify for the Long Term 1 - RFP or any further RFPs you might have.</p>	<p>In order to be eligible to submit a New Build Long-Term Reliability Project as part of the LT1 RFP, a Proponent would have to either be a Qualified Applicant or be Controlled by a Qualified Applicant, by virtue of participation in the LT1 RFQ or an Eligible Expansion Counterparty (see definition in response to Question #9). In both cases, to be eligible to submit Proposal to the LT1 RFP, the subject project must have been submitted to the IESO's Deliverability Test process, which took place between July and September of this year and has now concluded.</p> <p>Stakeholders who are interested in participating in future IESO competitive procurements are encouraged to subscribe to updates on the IESO's Long-Term RFP. Information on future procurement opportunities is expected to be shared in the coming weeks.</p>
<p>16. Is it possible for a particular First Nation to support or commit with multiple Proponents that are participating in the LT1 RFP, or are they required to select and back only one Proponent?</p>	<p>The definition of "Proponent Indigenous Participation Level" for purposes of the LT1 RFP and "Indigenous Participation Level" for purposes of the LT1 Contract are each defined in reference to the % of the Economic Interest in the Proponent or Supplier (respectively) that are held by either Indigenous Communities or Indigenous Holding Vehicles. These definitions do not impose any restriction on the number of Proponents or Suppliers (as applicable) for which a specific Indigenous Community or</p>

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	<p>Indigenous Holding Vehicle could hold an Economic Interest.</p> <p>Similarly, there is no limitation in the LT1 RFP on the number of projects that an Indigenous Community may support, in the form of an Indigenous Support Confirmation.</p>
<p>17.</p> <p>a. Can the Bid fee for a Submitted Proposal be paid directly to the IESO by an entity other than the Proponent or the qualified partner that controls the project?</p> <p>b. Can the Bid Security for a project submitted be issued directly to the IESO by an entity other than the proponent or the qualified partner that controls the project?</p> <p>c. Regarding section 2.1 Eligibility Requirements (f) Community and Indigenous Engagement (ii) (A):</p> <p>i. For the purpose of delivering the community meeting notice, can a land agent be considered a “courier”?</p> <p>ii. If yes, what forms of evidence of delivery date would be accepted?</p>	<p>a. As part of the Electronic Submission Requirements in section 3.6(c) of the LT1 RFP, the Proposal Fee must have been deposited on behalf of the Proponent and must include a deposit reference identifier in the form of the Unique Project ID.</p> <p>b. Proposal Security must be delivered by the Proponent only as a hard copy following the requirements listed in section 3.6(d) of the LT1 RFP. However, the “applicant” for the letter of credit that constitutes the Proposal Security need not be the Proponent, in which case the use of the term “Applicant” in the 1st paragraph of the letter of credit form would need to be replaced with reference to the Proponent.</p> <p>c. See Question 3.15 of the LT1 FAQ. A land agent is not considered as a courier.</p>
<p>18. Thank you for the response to the Long-Term Request for Proposals Deliverability Test Results. The results determined that our projects were not deliverable due to a transmission system limitation. Can your team please provide information as to the specific transmission elements that showed a system limitation with the inclusion of our projects? Our team would like to understand the system limitations for future opportunities.</p>	<p>As described in the LT1 Deliverability Results, most projects in the West Zone did not pass the Deliverability Test as most of the available deliverability pathway capacity was taken up by the contracts awarded under the E-LT1 RFP. Details on the process are found in the Deliverability Test Process for the LT1 RFP document. Further details on IESO-Controlled Grid transmission constraints and potential upgrade opportunities for the LT2 RFP are anticipated to be forthcoming in the near future.</p>
<p>19. We are in receipt of a Deliverability Test result. In our submission we assumed that we would connect on two transmission circuits; specifically, Option 1 was connecting 60 MW on the first circuit and</p>	<p>Deliverability Test applicants were eligible to submit up to 3 variations on project size and connection point(s) as described in section 2.7 of the Deliverability Test Process for the LT1 RFP. Applicants were required to indicate the priority sequence among submitted test</p>

Question/Comment	IESO Response
<p>60MW on the second circuit. The result was "Deliverable but Competing".</p> <p>Question: Assuming IESO tested 60MW on the first circuit and then separately tested 60MW on the second circuit. If 60MW connecting on the first circuit was "Deliverable but Competing" and 60MW connecting on the second circuit was "Deliverable", would the result of such a scenario which is reported to the Applicant be "Deliverable but Competing"? If the answer is yes, would the IESO be open to providing further detail to such a scenario?</p>	<p>variations. As part of the Deliverability Test, the IESO does not comment on the feasibility of a project's proposed connection arrangement. The IESO will not be providing any further details regarding Deliverability Test results at this time.</p>
<p>20. Below you will find a submission for the Batch 1 Questions for LT1:</p> <p>Will the IESO allow for Qualified Applicants to change their project name after a public community meeting has taken place, without having to repeat all the Community and Indigenous Engagement Requirements (public community meeting, notices to adjacent landowners, revised website, revised Community and Indigenous Engagement Plan, etc.)?</p> <p>It is important for Qualified Applicants to listen to the communities in which they are proposing projects, and to be responsive to what they might hear. In some cases, this may require amendments to project names. However, this could mean that information circulated in advance of the public community meeting, and/or presented at the meeting, may be different than what is submitted in the final proposal to the IESO. Allowing for some flexibility in the RFP enables Qualified Applicants to efficiently respond to feedback received by the local community and helps to ensure that Qualified Applicants are building projects that reflect and support community input.</p>	<p>Under section 2.1(f)(i)(B) of the LT1 RFP, the project name is required to be shared at the public community meeting, as reflected in the minutes of such meeting. As such, if the project name changes after the public community meeting, an additional meeting, using the new name, would need to be held. The Proponent must also ensure that the requirement for posting the project name on the Project Website are met in accordance with section 2.1(f)(i)(A) of the LT1 RFP.</p> <p>Subject to article 2.1 of the LT1 Contract, the Supplier shall at no time after the Contract Date modify, vary or amend in any material respect features or specifications of the Facility outlined in Exhibit A to the LT1 Contract, which includes the name of the Facility.</p>

Question/Comment	IESO Response
<p>21. We have the following questions regarding the LT1 Contract:</p> <p>a. Regarding article 15.6 of the LT1 Contract we want to confirm with the IESO if the following interpretation is correct: We understand that article 15.6 allows to have a capacity reduction as long as the capacity determined in the Capacity Check Tests is not lower than the 85% of the Monthly Contract Capacity. Being below 85% of the Monthly Contract Capacity would be consider as a Supplier Event of Default.</p> <p>For example, for a storage project that has a monthly contract capacity of 95 MW, in order to have a Capacity Reduction Factor (CRF) of 1.0 it would have to be able to deliver 95 MW during 4 continuous hours (that being equivalent to 380 MWh). So, if after a Final Capacity Check test, results are that the facility can deliver those 95 MW but only for 3.8 hours (that being equivalent to 361 MWh), then the CRF would be adjusted to 0.95.</p> <p>Using the same example and with the same logic, if after a Final Capacity Checks test, results are that the facility can deliver those 95 MW but only for 3.36 hours (that being equivalent to 319.2 MWh), then the CRF would be adjusted to 0.84. In that case this would be considered as Supplier Event of Default since the Test Capacity is below 85% of the Monthly Contract Capacity.</p> <p>Could the IESO confirm that this interpretation of the contract is correct?</p> <p>b. Regarding article 4.3 of the LT1 Contract we want to confirm with the IESO if the following interpretation is correct:</p>	<p>a. Article 15.6 of the LT1 Contract provides details on the Capacity Check Test, Further Capacity Test and Final Capacity Check Test. The duration used to determine the Test Capacity for each test is the minimum of the facility's Duration Capability or a shorter duration as determined by the IESO. In order for Test Capacity to be considered as a Supplier Event of Default, it would have to be either less than 85% of the Monthly Contract Capacity in both the Capacity Check Test and Further Capacity Test, or less than 85% of the Monthly Contract Capacity of the Final Capacity Check Test. In the examples provided, a Test Capacity greater than or equal to 85% of the Monthly Contract Capacity but less than 100% of the Monthly Contract Capacity would result in a new Capacity Reduction Factor, while a Test Capacity less than 85% of the Monthly Contract Capacity would result in a Supplier Event of Default.</p> <p>b. An Electricity Storage Facility is eligible to reduce their Summer and/or Winter Contract Capacity by an amount that is not more than 7% on up to three separate occasions starting after year three of the LT1 Contract. Prior to the effective date of each adjustment, written notice must be provided to the IESO at least 12 months in advance. The adjusted Summer and/or Winter Contract Capacity would be permanent for the remainder of the Term and would be applied as the Monthly Contract Capacity for each month in the Summer and/or Winter period for the balance of the Term.</p>

Question/Comment	IESO Response
<p>Our understanding of article 4.3 is that it would be allowed (after the completion of the 3rd contract year) and up to 3 times to reduce the contract capacity by a quantity of maximum 7% of the initial Monthly Contract Capacity.</p> <p>Using the example of the previous question, after the completion of the 3rd contract year the Monthly Capacity Contract could be reduced by 7% from 95 MW to 88.35 MW.</p> <p>After that capacity reduction and if after a Final Capacity Check test, results are that the facility can deliver 88.35 MW during 4 continuous hours (that being equivalent to 353.4 MWh) then the CRF would be equal to 1.0. That being equivalent to providing 95 MW during 3.72 continuous hours.</p> <p>Could the IESO confirm that this interpretation of the contract is correct?</p>	