

# LT1 RFQ: Questions and Answers (June 17, 2022)

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## Questions and Answers

The following document summarizes the IESO responses to the questions and comments submitted to the IESO in respect of the final LT1 RFQ documents posted on June 3, 2022, that were pursuant to Section 2.3(a) of the LT1 RFQ prior to the Question and Comment Deadline.

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## LT 1 RFQ

\*Revisions have been made to the Answers of Questions 4 and 5 since the initial posting on June 17, 2022

Question Comment	IESO Response
<p>1. The IESO says they will not be evaluating the project description form, but we also require they submit the information, so it seems we are evaluating them on it</p>	<p>While the LT1 RFQ intends to qualify applicants, not projects, for both the LT1 RFP and Expedited Process, all RFQ Applicants must submit an electronic copy of the completed Prescribed Form: Long-Term Reliability Project Description, in Adobe PDF format with the information set out in Section 2.13 of the LT1 RFQ.</p> <p>All RFQ Applicants must submit a description of at least one (1) proposed Long-Term Reliability Project, unless RFQ Applicants are seeking qualification to participate in the Expedited Process, wherein they must submit a description of all proposed Long-Term Reliability Projects seeking to participate in the Expedited Process.</p> <p>Per Section 2.13 of the LT1 RFQ, all material (including responses to questions or comments) provided pursuant to Section 2.13 is provided only for the purposes of informing the design of the LT1 RFP and Expedited Process, and will not be used by the IESO for the purposes of evaluation of the Team Member Mandatory Requirements.</p>
<p>2. There is no residency requirement for the Designated Team Members. Designated Team Members could be located in countries other than Canada or the USA as long as the experience was associated with a Qualifying Large-Scale Project. Is this correct?</p>	<p>Yes, that is correct.</p>

Question Comment	IESO Response
<p>3. From the changes made in the final RFQ that the planning, developing, financing, constructing and operating requirements for Stage 2 Team Member Mandatory Requirements could be satisfied by different Designated Team Members (individuals) provided that there are at least two such Designated Team Members. For example, an applicant could have one Designated Team Member that has all five (planning, developing, financing, constructing, and operating) and five other Designated Team Members with each one having different experience as long as in aggregate there are at least two Designated Team Members with each of the five required experiences.</p>	<p>Yes, that is correct.</p>
<p>4. If the RFQ Applicant fails to submit a description of a specific Long-Term Reliability Project as a part of their Qualification Submission, will the RFQ Applicant still be able to submit that project or any other project and have it considered eligible for a contract award in the Expedited Process?</p>	<p>No, in accordance with RFQ sections 2.7 and 2.13, the RFQ Applicant must submit along with the balance of the RFQ requirements, a completed Long-Term Reliability Project Description Form for at least one (1) proposed project utilizing the specified form in its submission, in order to be considered for prequalification in this RFQ process</p>
<p>5. If the RFQ applicant submits the description of a specific Long-Term Reliability Project as a part of their Qualification Submission, what changes (e.g. exact location, capacity) if any will it be able to make to that specific Long-Term Reliability Project and still have it considered eligible for a contract award in the Expedited Process?</p>	<p>A proponent will not be able to alter other project details such as location and technology following the RFQ stage, as will be reflected in the Expedited Process and LT1 RFP procurement documentation. Should the IESO decide to allow changes to Long-Term Reliability Project Descriptions in such processes, for example, including changes to (or alternative options for) connection point and nameplate capacity for projects submitted under the LT1 RFQ, then these changes will be communicated to proponents in those processes who would have successfully passed the prequalification process in the LT1 RFQ.</p>

Question Comment	IESO Response
<p>6. Assuming the RFQ Applicant is qualified and provides a successful application, is there an ability to change the ownership structure of the RFQ Applicant prior to the RFP? The RFQ applicant has two reasons for asking and in both cases above, the Team Members and Development Experience of the RFQ Applicant would remain unchanged.</p> <p>a. It's unclear how Indigenous involvement with the RFQ Applicant will be specifically evaluated as part of the RFP. The RFQ applicant would like to be able to structure the Indigenous involvement based on the final RFP rules.</p> <p>b. The applicant is planning for a reorganisation which may result in a change in the indirect ownership of the RFQ Applicant. To clarify, in this case, the RFQ Applicant's shareholder would not change but the shareholder would change from a limited partnership to a corporation.</p>	<p>Please review Section 2.10 of the LT1 RFQ. Changes in ownership of an RFQ Applicant or changes in Designated Team Members can occur following the RFQ stage, provided that the proponent continues to meet the Team Member Mandatory Requirements or Entity Development Experience Threshold, as applicable, in respect of the Qualified Applicant.</p> <p>a. The IESO has proposed certain criteria for Indigenous Participation in the RFP stage of both the LT1 RFP and Expedited Process. These criteria will have no bearing at the RFQ stage.</p> <p>b. Please review Section 2.10 of the LT1 RFQ.</p>
<p>7. Will the RFQ Applicant only be required to submit one Qualification Submission Fee for multiple project submissions?</p>	<p>Yes, only one Qualification Submission Fee is required per RFQ Applicant. An RFQ Applicant can submit information on as many projects as they would like in their Qualification Submission, subject to the qualification thresholds they have met at the RFQ stage.</p>
<p>8. Section 2.13(b)(iii) requires the Applicant, as mandatory information, to provide "confirmation that the project would be a dispatchable, New Build Electricity resource. Would a confirmation by the Applicant satisfy this requirement or is IESO looking for confirmation from another party?</p>	<p>At the RFQ stage it is sufficient for the RFQ Applicant to confirm that each project submitted in the Prescribed Form will be fully dispatchable. Further supporting information may be required in the Expedited Process or the LT1 RFP, which will be described in those documents.</p>

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<p>9. Section 2.13(b)(viii) states that the Applicant is to provide "status of the Applicant's rights in relation to site access in respect of the proposed project." Please provide details on what "rights" to site access mean and what type of documentation would be satisfactory.</p>	<p>For clarity, at the RFQ stage, the IESO is not requiring that the RFQ Applicant have any specific form of site access rights in relation to the proposed project. However, the IESO does require a description of the status of any site access rights.</p> <p>The IESO will accept a qualitative description of the status of the RFQ Applicant's rights in respect of the location of the proposed project(s). No evidence thereof is required.</p> <p>For example, an RFQ Applicant may indicate that they are a leaseholder or owner of the land on which the proposed project may be located or that they hold an option to lease or an option to purchase such land(s).</p>
<p>10. Is IESO expecting RFQ Applicants to provide acknowledgement of Addenda in the Qualification Submission?</p>	<p>RFQ Applicants are expected to have read the RFQ and all Addenda prior to submitting the Qualification Submission.</p>
<p>11. Section 2.6(d) states Qualification Submission must be written in English only. For Qualifying large-scale projects that are located in Quebec, the document evidencing commercial operation from Hydro Quebec will be in French. Will IESO accept this evidence of commercial operation if it is not in English?</p>	<p>The IESO will accept evidence of commercial operation that is not in English. The Prescribed Forms and other Qualification Submission documents required under the RFQ must be submitted in English.</p>
<p>12. For disclosure of Qualified Applicants under Section 2.12, could the IESO please confirm if the key contact information to be included in the submission must be of a person who has the authority to bind the RFQ Applicant?</p>	<p>Prior to any public disclosure, the RFQ Applicant will be invited to provide contact information for the RFQ Applicant in relation to such disclosure.</p>

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<p>13. Section 2.7 (b) (iv) requires the electronic funds transfer or wire must include a deposit reference identifier ("RFQ Applicant ID") in the form of LT1-RFQ-Applicant Name-2022. However, the bank is not able to fit the entire description because of a long Applicant name, could IESO allow the Applicant to use an abbreviated name as the identifier instead of the full Applicant Name? Could the IESO provide alternative options?</p>	<p>Yes, the RFQ Applicant can use an abbreviated name as long as the IESO is notified of such abbreviation through LT.RFP@ieso.ca prior to qualification submission.</p>
<p>14. Section 2.7(b)(iii): What is the maximum file size that can be accepted by IESO for electronic delivery to LT.RFP@ieso.ca</p>	<p>The maximum files size that can be accepted is 20 MB. RFQ Applicants may divide their submission into multiple emails if necessary.</p>
<p>15. For Section 3.2(a)(iii): Is there a prescribed form for the statutory declaration of team member experience?</p> <p>For Section 3.3(a)(ii): Is there a prescribed form for the statutory declaration of Entity Development Experience Threshold?</p>	<p>The RFQ Applicant can submit evidence of Team Member and Entity Experience via the Prescribed Form: RFQ Applicant Qualifying Experience and Declarations. The form of statutory declaration for Section 3.2(a)(iii) and 3.3(a)(ii) are appended to this Prescribed Form. Forms can be downloaded from the <a href="#">LT1 RFP webpage</a>.</p>
<p>16. Is it required for the applicant to fill in Not Applicable in every field which is not applicable to an applicant? For example, for a large-scale entity, is it required for the applicant to fill in Not Applicable in every field that relates to small scale entity development experience?</p>	<p>Yes, it is necessary to fill in "Not Applicable" into every unused field.</p>
<p>17. Is it required to attach a copy of the receipt from the electronic fund transfer with the application? If so, what section should this be attached to?</p>	<p>No, it is not necessary to attach a copy of the receipt from the electronic fund transfer. However, RFQ Applicants may wish to do so and the IESO will accept this additional information.</p>

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18. Is it acceptable for the Commissioner of Oaths to sign the document digitally?	Yes, the digital signatures will be accepted, subject to Applicable Laws in respect of remote commissioning of oaths in Ontario for purposes of statutory declarations.
19. In the Prescribed Form: RFQ Applicant Qualifying Experience and Declarations, Section 1 covers team member mandatory requirements. The field for entry of Qualifying Large Scale Project's Name, Location and Nameplate Capacity provides space for entering details of one Qualifying Large- Scale Project. If a team member, has experience in multiple qualifying projects, where should that information be entered?	IESO will allow for additional space in the fields to add project information as well as other additional information to be appended to the Prescribed Form.
20. Is there any place in the RFQ Applicant Qualifying Experience and Declarations for an applicant to select their preference for the LT1 RFQ, the Expedited Process or both?	See Section 3.4 of the RFQ for eligibility requirements. The IESO will also add a check box to the Prescribed Form: Long-Term Reliability Project Description to enable an RFQ Applicant to indicate their intent to qualify a project for the Expedited Process.
21. Appendix A (page 11) requires resumes of Designated Team Members. Should the resumes be attached in this section and before Appendix B? Or should the resumes be attached after the last page (page 16) of the application form?	Qualified Applicants may choose to include resumes within the form, or appended to the form.
22. Would IESO be issuing a confirmation email to an applicant that the proposal fee has been received, when such fee is received by the IESO?	No, the IESO will not be issuing confirmation emails to an RFQ Applicant that their Qualification Submission Fee has been received.
23. Would IESO be issuing a confirmation email to an applicant that their proposal submission has been received, when such application is received by the IESO?	No, the IESO will not be issuing confirmation emails to an RFQ Applicant that their Qualification Submission has been received.

Question Comment	IESO Response
<p>24. Could the IESO confirm that it would NOT be an Expansion if a storage facility was added to an existing solar facility where some Electricity from the existing solar facility is injected to the newly added storage. A project proposed on that basis would be considered a New Build?</p>	<p>The project in question would be considered New Build. However, any alteration of an existing facility that is the subject of a contract with the IESO should be carefully reviewed to determine whether such alteration is permitted under the terms of such contract.</p>
<p>25. Regarding the Prescribed Form: Experience and Declarations. Within that PF the applicant needs to show that a Designated Team Member has "Developing" experience. The way Developing is defined in the Final RFQ document is very specific to developing experience in Canada (working with the Crown and Indigenous communities) whereas all other required qualifications are not. Please can you clarify the appropriate definition to refer to?</p>	<p>Per the definition of "Developing" in the LT1 RFQ. The development experience in question would only apply to projects located in jurisdictions 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 any such duty to consult obligations.</p>
<p>26. Could you please confirm if project experience in the UK would be acceptable for the purpose of this RFQ?</p>	<p>For the purposes of the LT1 RFQ, the IESO will be evaluating project experience in North America only.</p>
<p>27. Could you please confirm if project experience in other OECD countries would be acceptable for the purpose of this RFQ</p>	<p>For the purposes of the LT1 RFQ, the IESO will be evaluating project experience in North America only.</p>
<p>28. Will Solar PV generation system and Hybrid Systems (Solar PV + Storage) size be measured on MWac or MWdc for the entity experience</p>	<p>Capacity in respect of Solar PV projects will be measured on the lower of MW(ac) (based on inverter limits) and MW(dc).</p>
<p>29. Could Co-located sites be considered as one project and submit the sum of the two in determining the project size for the entity experience?</p>	<p>No. Individually metered and connected projects will be viewed based on the capacity of each separately metered and connected project for purposes of Qualifying Large-Sale Projects or Qualifying Small-Scale Projects.</p>
<p>30. What documentation will be used to determine the size of the generating system for the entity experience?</p>	<p>The IESO requests that RFQ Applicants self identify the size of the Qualifying Large-Scale</p>



Question Comment	IESO Response
	<p>or Small-Scale Project in their Qualification Submission.</p>
<p>31. Proponent A owns/controls Project Z but does not meet the RFQ requirements for the Expedited RFP. Proponent B meets the RFQ requirements for the Expedited RFP.</p> <p>a. Expecting an eventual partnership to be worked out post RFQ but pre RFP submission, could Proponent B submit Project Z to the RFQ even if they do not own/control that project at the time of RFQ submission?</p> <p>b. Suppose Proponent A submits Project Z to the RFQ but fails to qualify. Can Proponent B – who qualified through the RFQ, but did not submit Project Z – partner with Proponent A (post RFQ, as a controlling partner) and submit Project Z to the Expedited RFP?</p> <p>i. If Proponent A sold Project Z to Proponent B post RFQ (meaning Proponent A is no longer involved), would Proponent B be eligible to submit Project Z to the Expedited RFP?</p>	<p>In the scenarios described here, both Proponent A and Proponent B can submit Qualification Submissions under the RFQ in respect of Project Z, notwithstanding that only Proponent A may currently hold rights to the project site. For scenario #2 described in this question, Proponent B must submit Project Z in its Qualification Submission in order to be eligible to submit Project Z in the Expedited Process.</p>
<p>32. Can the IESO please define what constitutes ownership or control over a project? Does a yet-to-be-exercised purchase option constitute control?</p> <p>a. How is control determined in a true 50/50 partnership?</p>	<p>Please refer to the definition of Control in Appendix A- Glossary of Terms in the LT1 RFQ. "Control" is in reference to the legal "Person" (which includes partnerships).</p> <p>The RFQ is not evaluating project control (or site control) at this time (though status of site control is mandatory project information). It is anticipated that the Expedited Process or the LT1 RFP will require site control, which will be described in those documents.</p>

Question Comment	IESO Response
<p>33. Is an RFQ Applicant that qualifies under the Small Scale Team and Entity Experience criteria eligible to submit projects to the RFP up to the maximum 600 MW, or are they capped at some lesser quantity?</p>	<p>An RFQ Applicant that meets Small-Scale Entity Development Experience can, by posting 1.5x the Base Proposal Security, submit a Long-Term Reliability Project that qualifies as a Large-Scale LT1 Project and is not subject to a lower size limitation.</p>
<p>34. Page 11 of the document, Appendix A is for attaching resumes of each Designated Team Member.</p> <p>Are the resumes to be attached right after this page (page 11)? If so, would it not mean that the pages of the Prescribed Form are not kept together in sequential order?</p> <p>Can the resumes be attached at the end of this Prescribed Form, or attached as a separate document? Alternately, a fillable cell could be provided in page 11 (Appendix A), so that the applicant can refer IESO to the section/document where the resumes could be found.</p>	<p>The IESO would appreciate all attachments be included at the end of the document so as to allow for ease of Qualification Submission review.</p>
<p>35. Given the short time between the final RFQ and deadline for the Qualification Submission, can the economic interest of an Indigenous group be added after the Qualification Submission and prior to submitting under the LT1 RFP?</p>	<p>The IESO will not be evaluating individual projects in the LT1 RFQ. Any potential indigenous participation criteria will be evaluated for individual projects at the RFP stage of the LT1 RFP and Expedited Process.</p>
<p>36. If an RFQ Applicant does not meet the Entity Development Experience and is looking to qualify through the Team Member Experience Requirements with a 1.5x security, can they leave Section 2 of the Entity Development Experience portion of Prescribed Form – RFQ Applicant Qualifying Experience and Declarations blank?</p> <p>i. We would recommend that the IESO add a checkbox at the beginning of Section 2 of the form, stating no submission, for those applicants who will not be submitting Entity Development Experience and will be</p>	<p>The RFQ Applicants should fill in Not Applicable in every unused Section. The IESO will be issuing an amendment to this Prescribed Form to provide an RFQ Applicant the option to select that it is not submitting any Entity Development Experience information.</p>

Question Comment	IESO Response
<p>looking to qualify by providing a 1.5x security payment.</p>	
<p>37. If two parties are looking to submit an application together, do they need to first create a special purpose company that is jointly owned by both parties or can they just apply together in the RFQ Application with both their independent company names?</p>	<p>The RFQ Applicant must be a single Person and cannot be an unincorporated joint venture. An addendum to the RFQ will be issued to reflect this requirement. For clarity, multiple Qualified Applicants or other Persons can partner afterwards, subject to the requirements of Section 2.10 of the RFQ.</p>
<p>38. Large-Scale Entity Development Experience Threshold (3.3.a) – In the webinar it was mentioned there is a potential removal of the requirement to: “(any such project, a “Qualifying Large-Scale Project”) 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”.</p> <ul style="list-style-type: none"> <li>a. Can you please confirm if the Applicant has to show ownership of the asset from construction until 1 year after COD? Would projects that have reached COD 10 months ago still in the ownership of the Applicant be accepted?</li> <li>b. Would sale of an asset before retaining control for 1 whole year but contracted to provide Asset Management services for that project qualify as development experience? Example. We have developed a number of assets which have been sold to institutional investors for which we retain a minority ownership share and continue to provide asset management services and operate the asset.</li> <li>c. Would sale of an asset at NTP but contracted to construct the project and operate constitute as relevant project experience? Example. We have developed assets and sold them to investors before the start of construction and have been</li> </ul>	<ul style="list-style-type: none"> <li>(a) No, it would not meet the requirements of the RFQ.</li> <li>(b) No, it would not meet the requirements of the RFQ.</li> <li>(c) No, it would not meet the requirements of the RFQ.</li> </ul>

Question Comment	IESO Response
<p>independently contracted to provide Construction and asset management services on behalf of the investor.</p>	
<p>39. Large-Scale Entity Development Experience Threshold (3.3.a.i) – (A) with a nameplate capacity of at least 5 MW.</p> <p>a. Is the nameplate capacity referring to the generation asset or is it the inverter limitation. Example. We operate a number of hybrid (solar PV + Storage Projects) whose installed capacity combined is above 5MW but limited to 5MW by the inverter to be within a certain regulatory threshold requirement. Would the below project qualify as large scale?</p> <p style="padding-left: 40px;">Solar PV - Total Generator kW AC: 4,980</p> <p style="padding-left: 40px;">Storage - Total Storage kW DC: 3,000</p> <p style="padding-left: 40px;">Inverter - Constrained Output kW AC: 4,980</p>	<p>In this scenario, the limitation on the inverter (in MW(ac)) would determine the nameplate capacity of the prior project.</p>
<p>40. What documentation is required to be submitted in the RFQ to prove that entities have formed partnerships for the purpose of qualifying for the expedited RFP?</p>	<p>See the IESO’s response to question 37, above. The RFQ Applicant must be a single “Person”. If the RFQ Applicant is itself a partnership (limited partnership or general partnership), the organizational chart and securities registers for establishing a Control Group Member for purposes of Entity Development Experience must be those of the partnership and its general partner(s).</p>
<p>41. Are RFQ applicants required to register with IESO prior to the RFQ submission? Are non-Canadian entities eligible to participate in the RFP?</p>	<p>No registration with the IESO is required prior to Qualification Submission. Non-Canadian entities are eligible to participate.</p>
<p>42. For the "Large-Scale Entity Development Experience Threshold", the IESO requests two or more "Qualifying Large-Scale</p>	<p>Yes, that is correct.</p>

Question Comment	IESO Response
<p>Projects". Our interpretation of the document is that if we only submit electricity generating facilities for our two "Qualifying Large-Scale Projects", then this would be sufficient experience to be able to propose a large-scale energy storage project. Can the IESO please confirm this?</p>	
<p>43. Can the IESO confirm well in advance of the RFQ submission deadline if there will be caps on MWs or number of projects awarded for each proponent.</p>	<p>The IESO will consider limiting the number of MWs or projects that may be offered to a single Proponent at the RFP stage.</p>
<p>44. Prescribed Form - RFQ Applicant Qualifying Experience and Declarations: What inputs are expected in the text boxes under Appendix D Part 1, Part 4, and Part 5? Should the name of the evidence attached be entered?</p>	<p>Yes. Reference to the evidence should be included in the text boxes.</p>
<p>45. If an RFQ Applicant qualifies to submit one or more Small-Scale projects under the Expedited Procurement, can that Qualified Applicant create a partnership under an Special Purpose Vehicle (SPV) post-RFQ, to create an SPV with Large-Scale Team Member and Entity Development Experience, and then subsequently increase the proposed project size to greater than 5MW, say before the Deliverability Assessment inputs are due?</p>	<p>No, this scenario would not be permitted. The RFQ will establish Qualified Applicants for Small-Scale LT1 Projects or Large-Scale LT1 Projects specifically. Under Section 3.4(g) of the RFQ, RFQ Applicants that satisfy both the Small-Scale Team Member Experience and the Small-Scale Entity Development Experience Threshold will only be eligible to submit Small-Scale LT1 Projects into the Expedited Process.</p>
<p>46. Can the RFQ Applicant reference multiple Control Group Members that collectively, have directly owned or Controlled one or more Persons that directly owned all of the Qualifying Small-Scale Projects listed in Section 2(B)(i) above?</p>	<p>An RFQ Applicant could have multiple affiliated Control Group Members whose direct or indirect ownership of Qualifying Small-Scale Projects satisfies the Small-Scale Entity Development Experience Threshold in respect of the RFQ Applicant.</p>
<p>47. Could the IESO please confirm if an Indigenous partner needs to be identified and/or qualify with the Applicant as a Team Member at the RFQ stage or if they can be added at the RFP stage?</p>	<p>Indigenous partners can be identified at the RFP stage.</p>