IESO TORONTO THIRD LINE TRANSMISSION PROJECT (TTL) REQUEST FOR PROPOSALS

[NTD: All features described in this draft are subject to ongoing policy and technical discussions with government, stakeholders, and Indigenous communities, and will be subject to government policy direction.]

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SECTION 1 – INTRODUCTION

1.1 Independent Electricity System Operator

(a) 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 electricity system resources such as wind, solar, hydro, biomass, nuclear, natural gas, demand response, conservation, storage, transmission, distribution or other innovative technologies.

(b) 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.

(c) 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 TTL RFP

(a) In response to strong long-term demand growth in Ontario, the IESO has recommended the expansion of the bulk transmission system, to allow the province's growing fleet of generation and storage to transmit electricity where and when it is needed. The IESO's 2025 Toronto Integrated Regional Resource Plan (the "**Toronto IRRP**") recommended the development and construction of a new underwater transmission line connecting downtown Toronto to Bowmanville via Lake Ontario, referred to as the Toronto third line project. The Toronto third line project is required to accommodate growth in Toronto and the Greater Toronto Area, improve grid resilience, diversify supply sources, and alleviate capacity strain in the transmission system within and throughout the Greater Toronto Area**.**

~~(b) From January 7, 2026 to February 21, 2026, the government of Ontario engaged under an Environmental Registry posting on a proposal to direct the IESO to undertake a competitive procurement process and enter into a procurement~~

~~contract with a transmitter to develop, construct and operate the Toronto third line project.~~

(b) ~~(c)~~ As set out in the directive of the Ontario Minister of Energy and Mines issued to the IESO pursuant to subsection 25.32 of the Electricity Act, dated ~~[●]~~June 18, 2026 (the "**Ministerial Directive**"), this Toronto third line project request for proposals (the "**TTL RFP**") is intended to select a qualified transmitter to develop, construct and operate the Toronto third line project, with a 2037 in-service date.

(c) ~~(d)~~ Each Proponent shall submit a Proposal to develop, construct and operate a network transmission facility that meets all requirements set out in the ~~Specifications~~Functional Requirements (the "**TTL Transmission Project**").

(d) ~~(e)~~ The Selected Proponent of the TTL RFP is required to enter into a Toronto Third Line Transmission Facility Agreement in the form set out in APPENDIX B (the "**TTL Contract**") with the IESO for a term commencing on the Contract Date, as set out in the TTL Contract, and expiring on the **[second (2nd)]** anniversary of the Commercial Operation Date (the "**Contract Period**").

(e) ~~(f)~~ Proponents are reminded of the necessity to comply with Laws and Regulations, including for greater certainty the Transmission System Code, the Market Rules and requirements of any applicable municipalities, local service boards, conservation authorities, Indigenous communities or other applicable authorities, as each may be applicable to the TTL Transmission Project. Proponents should be aware of required approvals, including environmental and municipal approvals, which may be required prior to construction of the TTL Transmission Project, if applicable.

(f) ~~(g)~~ Proponents are reminded of the important role that effective engagement with Indigenous and local communities, including municipalities, will play in the successful development, construction and operation of the TTL Transmission Project and will be required 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, this TTL RFP and the TTL Contract. Proponents are encouraged to conduct early engagement with all municipalities and Indigenous communities that may be impacted by the TTL Transmission Project. Proponents are also reminded that certain permits and approvals for the proposed TTL Transmission Project may trigger consultation requirements with Indigenous communities. Proponents are encouraged to refer to the Indigenous Consultation Information Package for additional resources related to Indigenous

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community consultation and engagement in respect of the TTL Transmission Project.

1.3 Defined Terms and Statutory References

(a) Capitalized terms used in this TTL RFP 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.

(b) Capitalized terms used in Section 2.2 but not otherwise defined in this TTL RFP have the meanings given to them in the TTL Contract.

(c) Unless otherwise expressly stipulated, any reference in this TTL RFP to the Market Rules or to a statute or to a regulation or rule promulgated under a statute or to any provision of a statute, regulation or rule shall be a reference to the Market Rules, statute, regulation, rule or provision as amended, supplemented, re-enacted or replaced from time to time.

SECTION 2 – ELIGIBILITY AND CONTRACTUAL REQUIREMENTS

2.1 Eligibility Requirements

[NTD: To be revised in accordance with the final Ministry directive.]

(a) *TSF Registry*

Each Proponent shall be a TSF Registrant, a Person Controlled by a TSF Registrant or a Person in which a TSF Registrant, or a combination of TSF Registrants in the aggregate, directly or indirectly hold at least 45% of ~~such Person's~~the Economic Interest in such Person.

(b) *Single Person*

Each Proponent shall be a single Person and may not be an unincorporated joint venture of multiple Persons.

(c) *Control Group Member*

No Proponent shall be a Control Group Member of, nor shall a Proponent have a Control Group Member in common with, any other Proponent (the "**Control Group Restriction**").

(d) ~~*Organizational Experience*~~*Tax Residency*

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No Proponent shall be a non-resident of Canada for the purposes of the *Income Tax Act* (Canada), which shall be confirmed by a statutory declaration of an officer of the Proponent.

(e) *Experience Requirements*

(i) The Proponent, one or more Proponent Group Members, ~~or~~ in combination the Proponent and one or more Proponent Group Members, or, where applicable in accordance with Section 2.1(e)(iv), one or more Designated Team Members of the Proponent, shall meet the ~~Organizational Experience~~experience requirements set out in this Section ~~2.1(d).~~2.1(e). Of the three (3) Experience Categories set out in this Section 2.1(e) (described below), at least two (2) shall be met at the Organizational level in accordance with Section 2.1(e)(iii) and the remaining Experience Category (if any) shall be met either at the Organizational level in accordance with Section 2.1(e)(iii) or at the Team Member level in accordance with Section 2.1(e)(iv). For greater certainty, (A) a Proponent that meets all three (3) Experience Categories at the Organizational level is not required to demonstrate Team Member Experience for any Experience Category, and (B) a Proponent that meets fewer than two (2) Experience Categories at the Organizational level shall not be eligible under this TTL RFP, notwithstanding that such Proponent may otherwise satisfy the remaining Experience Categories at the Team Member level.

(ii) ~~The Proponent, one or more Proponent Group Members, or in combination the Proponent and one or more Proponent Group Members must have:~~Each Proposal shall demonstrate experience in each of the following three (3) Experience Categories, confirming that an applicable Person or Designated Team Member (as applicable) has:

(A) Developed, Financed and Constructed (including where it is currently Constructing) at least one (1) Qualifying HVDC Transmission Project ~~in which the Proponent or Proponent Group Member, as applicable, held an Economic Interest for the duration of such activities; and~~(the "**HVDC Experience Category**");

(B) Developed, Financed and Constructed (including where it is currently Constructing) at least one (1) Qualifying Underwater Transmission Project ~~in which the Proponent or Proponent Group Member, as applicable, held an~~

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~~Economic Interest for the duration of such activities,~~(the "**Underwater Experience Category**"); and

(C) Conducted project-related engagement and rights-based consultation with Indigenous communities (located anywhere in Canada), throughout the Development of at least one (1) Qualifying Infrastructure Project (the "**Indigenous Experience Category**", and together with the HVDC Experience Category and the Underwater Experience Category, the "**Experience Categories**").

(iii) *Organizational Experience.* The Proponent, one or more Proponent Group Members, or in combination the Proponent and one or more Proponent Group Members shall be considered to have met an Experience Category at the "**Organizational level**" (the experience so demonstrated being "**Organizational Experience**") if the Proponent or Proponent Group Member, as applicable, owned the applicable Qualifying HVDC Transmission Project, Qualifying Underwater Transmission Project or Qualifying Infrastructure Project (as applicable) or Controlled the Person that owned the Qualifying HVDC Transmission Project, Qualifying Underwater Transmission Project or Qualifying Infrastructure Project (as applicable) for the duration of the activities described in the applicable Experience Category.

~~**[NTD: IESO is evaluating the addition of eligibility requirements that will address a commitment to work with original equipment manufacturers that have experience designing HVDC equipment.]**~~

~~(collectively, the "**Organizational Experience**").~~

(A) For greater certainty, the relevant experience in ~~(A) and (B),~~the HVDC Experience Category and the Underwater Experience Category may be in respect of the same Transmission Project. Further, the experience Developing, Financing~~,~~ and Constructing, or any combination thereof, in each of ~~(A) and (B), may be in respect~~the HVDC Experience Category and the Underwater Experience Category may be met through a combination of multiple Transmission Projects.

(B) ~~(iii)~~ The Organizational Experience claimed for each Proponent or Proponent Group Member, as applicable, submitted as a part of the Prescribed Form: Proponent Information, Declarations and Workbook, pursuant to

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Section ~~2.1(d)(ii)~~2.1(e)(ii), must be supported by (i) one or more organizational charts confirming the relationship between the Proponent~~, the~~ and each applicable Proponent Group Member ~~(if applicable), and each Control Group Member of the Proponent~~; and (ii) a statutory declaration of an officer of the Proponent confirming the information submitted in respect of Organizational Experience.

(C) The IESO reserves the right to require the Proponent to provide additional corporate records, such as shareholders agreements or partnership agreements, share or unit certificates or other constating documents containing share or unit terms (which may be redacted for commercially sensitive or confidential information), to evidence the ~~required Control by~~relationship between the Proponent and the Proponent Group Member, and between the Proponent or Proponent Group Member and the Qualifying HVDC Transmission Project, Qualifying Underwater Transmission Project or Qualifying Infrastructure Project, as applicable.

~~(e) *Indigenous Engagement Experience*~~

(iv) *Team Member Experience.* The Proponent shall be considered to have met an Experience Category at the "**Team Member level**" (the experience so demonstrated being the Proponent's "**Team Member Experience**") if the Proponent identifies individuals who are either directors or officers of the Proponent as of the Proposal Submission Deadline (each, a "**Designated Team Member**") who meet the experience requirements set out below.

(A) For each of the HVDC Experience Category and the Underwater Experience Category to be met at the Team Member level, the Proponent shall identify at least two (2) Designated Team Members who have Developed, Financed and Constructed at least one (1) Qualifying HVDC Transmission Project or Qualifying Underwater Transmission Project (as applicable), where such individuals had managerial authority in respect of such functions.

(B) ~~(i) [●]~~For the Indigenous Experience Category to be met at the Team Member level, the Proponent shall identify at least two (2) Designated Team Members who have experience working with Indigenous communities (located anywhere in Canada), including conducting project-related engagement and rights-based consultation, where such

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individuals had managerial authority in respect of such functions, throughout the Development of at least one (1) Qualifying Infrastructure Project ~~located within a treaty area or traditional territory; **[NTD: IESO is accepting feedback on whether this requirement should be based on Team Member Experience or Organizational Experience]**~~.

(C) The Proponent may have more than two (2) Designated Team Members to satisfy the aggregate Team Member Experience requirements relating to the applicable Experience Category (for instance, if a Designated Team Member does not have experience in all of the Experience Categories or if, for the HVDC Experience Category or the Underwater Experience Category, a Designated Team Member does not have experience in managing each of Development, Construction and Financing for the Qualifying HVDC Transmission Project or Qualifying Underwater Transmission Project, as applicable). For greater certainty, the experience of the Designated Team Members does not need to have been earned with the same Proponent or any Proponent Group Member identified in the Proposal. The Team Member Experience claimed by the Proponent, submitted as a part of the Prescribed Form: Proponent Information, Declarations and Workbook, pursuant to Section 2.1(e)(iv)(A) and Section 2.1(e)(iv)(B), must be supported by a statutory declaration of an officer of the Proponent confirming the information submitted in respect of Team Member Experience.

(D) For greater certainty, a Designated Team Member's managerial authority in respect of any function for the purposes of demonstrating Team Member Experience requirements as set out in this Section 2.1(e)(iv), does not include experience in which the Designated Team Member acted in the capacity of a consultant, advisor or other third-party service provider to the Person undertaking the applicable function, whether such Designated Team Member was retained directly as an independent contractor or through a firm providing the applicable services. In order for the Designated Team Member to have had managerial authority over the applicable function, the Designated Team Member must have had the legal authority to bind the Person undertaking the applicable function.

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(f) *Project Website*

(i) At least sixty (60) days prior to the Proposal Submission Deadline, and until such time as the Proponent is notified of the outcome of this TTL RFP pursuant to Section 3.8, the Proponent shall ~~post~~launch, make available and maintain a Project Website indicating its intention to submit a Proposal in respect of this TTL RFP, which Project Website shall include:

(A) technical details about the TTL Transmission Project ~~as set out in the Specifications~~, including the Functional Requirements;

(B) the legal name and contact information of the Proponent;

(C) details about the ownership of the Proponent including the Proponent's Ultimate Controlling Parent;

(D) an illustrative map showing the proposed ~~locations of the Connection Points, proposed~~ approximate location of the converter stations and overland components, and proposed preliminary location of the transmission corridor, as provided in the Toronto IRRP;

(E) contact information of representatives of the Proponent for the purposes of discussing land rights, municipal engagement, Indigenous engagement and requesting Capacity Funding;

(F) a statement that Capacity Funding is available for First Nation Communities on the Ministry Engagement List, for engagement activities conducted prior to the Proposal Submission Deadline;

(G) the process for members of the public to communicate questions, feedback or concerns with respect to the TTL Transmission Project;

(H) ~~the Schedule and a preliminary~~a schedule for ~~community and~~ Indigenous community engagement activities, including engagement with First Nation Communities on the Ministry Engagement List, from the launch of the procurement~~, and throughout the duration of the Contract Period and all milestones included in the TTL Contract~~ to the Proposal Submission Deadline;

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(I) an indicative engagement schedule which covers the duration of the Contract Period (contingent on the Proponent becoming the Selected Proponent) for Indigenous community engagement activities, including engagement with First Nation Communities on the Ministry Engagement List;

(J) a draft of the Municipal Engagement Plan which the Proponent intends to include in its Proposal, or the Municipal Engagement Plan that the Proponent has included in its Proposal, as applicable;

(K) ~~(I) The~~the Proponent's plan to support First Nation Communities on the Ministry Engagement List in accessing and navigating equity and non-equity economic participation opportunities;

(L) a list of the types of Non-Equity Commitments that the Proponent intends to include (or has included, as applicable) in its Proposal;

(M) ~~(J)~~ the Proponent's permitting plan, including ~~monitoring studies~~its Environmental Effects Monitoring Program; and

(N) ~~(K)~~ ●.

For greater certainty, the Project Website is intended to act solely as a tool for public information and transparency as it relates to prospective Proponents, and the launch, hosting and maintenance of the Project Website shall not replace, satisfy or otherwise limit any engagement obligations of the Proponent in respect of the TTL RFP, including any obligations in respect of the Municipal Engagement Plan or the IEPP, those required pursuant to Laws and Regulations or otherwise required pursuant to the TTL Contract.

(g) *Indigenous Engagement and Participation Plan*

(i) Each Proposal shall include:

(A) an Indigenous engagement and participation plan in respect of the TTL Transmission Project which meets all of the following requirements (the "**Indigenous Engagement and Participation Plan**" or the "**IEPP**"):

(1) the list of First Nation Communities that the Proponent will engage with, which shall include all

First Nation Communities specified in the ~~[●- document provided by the Ministry] (the "~~Ministry Engagement List~~")~~;

(2) a plan for engagement with such First Nation Communities, including the provision of ~~capacity support~~Capacity Funding;

(3) a proposed engagement plan and schedule for engagement activities with First Nation Communities on the Ministry Engagement List, which covers the duration of the Contract Period and all milestones included in the TTL Contract;

(4) the list of meetings and engagements held to date between the Proponent and First Nation Communities, including the names of attendees and the meeting minutes of such meetings and engagements; and

(5) the Proponent's economic participation commitments to First Nation Communities on the Ministry Engagement List, including any IEPP Equity Percentage and any ~~IEPP~~ Non-Equity Commitments ~~Percentage~~.

For greater certainty, Proposals, and IEPPs submitted therein, will not be evaluated ~~on the basis of the IEPP Equity Percentage and the IEPP Non-Equity Commitments Percentage to be offered to First Nation Communities on the Ministry Engagement List, and not~~ on the basis of the particular benefits to be received by any specific First Nation Community on the Ministry Engagement List. Further, the Crown's duty to consult is beyond the scope of this TTL RFP.

(B) evidence of the delivery of a Pre-Engagement Confirmation Notice to the applicable Local Body Administrator of all First Nation Communities on the Ministry Engagement List no later than ninety (90) days prior to the Proposal Submission Deadline.

(h) *Supply Chain Disclosure Plan*

(i) Each Proposal shall include:

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(A) a narrative, indicative, non-binding description of the Proponent's expected Total Project Supply Chain Costs attached as Exhibit A of the Prescribed Form: Supply Chain Disclosure Plan, (a "**Supply Chain Disclosure Plan**") which shall include the following:

(1) a description of the Proponent's expected Total Project Supply Chain Costs, based on whether (i) for the costs that are expected to be incurred in respect of goods, the applicable goods are expected to be manufactured within Canada, including from components sourced from outside of Canada; and (ii) for costs that are expected to be incurred in respect of services, the applicable services are expected to be Canadian Status Services or supplied by Canadian Status Supply-Chain Participants; and

(2) a reporting of the percentage of the Proponent's Total Project Supply Chain Costs that are expected to be sourced as described under Section 2.1(h)(i)(A)(1), and an explanation for why any particular good or service included in the Proponent's Total Project Supply Chain Costs is not expected to be sourced from a Canadian Status Supply-Chain Participant, or is not expected to be a Canadian Status Service or good manufactured in Canada, as applicable; and

(ii) as part of the Proposal Workbook, a completed worksheet titled "SCDP Summary", which reflects a line-item breakdown of the indicative, non-binding information provided as part of the Supply Chain Disclosure Plan (the **"SCDP Summary**").

(i) *Municipal Engagement Plan*

(i) Each Proposal shall include a municipal engagement plan in respect of the TTL Transmission Project which shall **[describe how the Proponent intends to (A) coordinate and engage with municipalities and their stakeholders; (B) consider municipal interests and priorities and local circumstances; and (C) communicate and manage local and municipal impacts related to the development of the TTL Transmission Project (the "Municipal Engagement Plan").]**

(j) *No System Impact Assessment Prior to Contract Award*

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(i) A Proposal may not be the subject of a System Impact Assessment (whether issued or pending) submitted by or on behalf of the Proponent or any of its Affiliates as of the Proposal Submission Deadline and the Proponent must refrain from submitting a System Impact Assessment in respect of its Proposal unless, and until such time as, it has entered into the TTL Contract.

2.2 Overview of the TTL Contract

[NTD: This Section 2.2 will be revised in accordance with the final commercial model.]

(a) This Section 2.2 provides an overview of certain sections of the TTL Contract and is for descriptive purposes only. For greater certainty, to the extent that there is any inconsistency between the descriptions in this Section 2.2 and the TTL Contract, the terms of the TTL Contract shall prevail.

(b) The Proponent whose Proposal is selected must enter into the TTL Contract as Transmitter under its own name.

(c) The Transmitter shall make the necessary investments to successfully develop, construct, and operate the TTL Transmission Project according to the ~~Specifications~~Functional Requirements.

(d) *Contract Price and Payment*

(i) The TTL Contract will establish the Capital Cost Components of the TTL Transmission Project, and the Total Capital Cost of the TTL Transmission Project, based on the ~~[●] amount~~Proposed Capital Cost submitted by the Transmitter in its Proposal, as adjusted under the TTL ~~Contact~~Contract. The TTL Contract will require the Transmitter to submit only the Total Capital Cost in respect of the Capital Cost Components to the OEB in the initial revenue requirement application for the TTL Transmission Project, for inclusion in Uniform Transmission Rates ("**UTRs**"). Costs incurred by the Transmitter in respect of non-Capital Cost Components are outside the scope of the TTL Contract and are subject to OEB adjudication under Section 78 of the OEB Act. The Transmitter may include these costs in the Transmitter's revenue requirement application, in accordance with OEB Filing Requirements.

(ii) The Transmitter will be entitled to receive its UTR payment from the Commercial Operation Date, based on the existing process under the Market Rules for apportionment of UTR revenue

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collected by the IESO. The TTL Contract will not itself provide for any payments from the Sponsor to the Transmitter separate from the existing process for OEB-regulated transmitters under the Market Rules. After the term of the TTL Contract, the Transmitter will continue to operate the Facility under the oversight of the OEB.

[NTD: To be drafted in accordance with the final commercial model.

The TTL Contract will use certain cost control and adjustment mechanisms as set out in this TTL RFP and the pricing provided in Selected Proponent's Proposal.]

(e) *Milestones*

(i) Milestones under the TTL Contract will include the following:

(A) Milestone Date for Early Development Completion ~~Date~~ ("~~**MDev**~~**MED**"): the completion of the Development of the TTL Transmission Project, by which time the Transmitter must demonstrate that it has entered into agreements with ~~original equipment manufacturers~~Experienced OEMs whose experience manufacturing HVDC ~~cables and converter stations meet~~Components and Converter Stations meets the criteria prescribed in the TTL Contract that are in the nature of manufacturing or purchase reservation or deposit agreements, or that otherwise reserve the opportunity for the Proponent to procure such equipment from the applicable Experienced OEM under an EPC Contract.

(B) Milestone Date for Pre-Construction Completion ~~Date~~ ("**MPC**"): ~~[●]~~the completion of pre-construction work for the TTL Transmission Project including the final design, the acquisition of permits and land rights, and the execution of all Material Project Agreements necessary to commence construction of the TTL Transmission Project (including, for certainty, the EPC Contracts) and that Financial Close has occurred **[or will occur subject only to confirmation of the satisfaction of Pre-Construction Completion]**.

(C) Milestone Date for Commercial Operation ~~Date~~ ("**MCOD**"): the Commercial Operation Date, including the completion of the transmission facility, commissioning,

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and execution of Material Project Agreements relating to the operation of the TTL Transmission Project.

(ii) Where a Milestone is not achieved by the applicable Milestone Date:

(A) Where the delay is thirty (30) days or more, the Transmitter must notify the IESO and provide a schedule remediation report which the IESO may publish, and failure to do so will result in a daily administrative charge to the Transmitter.

(B) If the Transmitter fails to achieve Early Development Completion by the Longstop Date for Early Development Completion, the IESO may terminate the TTL Contract and draw on the Completion and Performance Security.

(C) If the Transmitter fails to achieve Commercial Operation by the Milestone Date for Commercial Operation, the Transmitter must pay the IESO liquidated damages for each Business Day that the Commercial Operation Date is delayed. An increased rate per Business Day of liquidated damages will apply if the Transmitter also fails to meet the Longstop Date for Commercial Operation.

The IESO may draw on the Completion and Performance Security to satisfy the amounts of any charges or liquidated damages under the TTL Contract which the Transmitter fails to pay.

[NTD: ~~Delay consequences related to Milestones (MDev, MPC, MCOD) to be drafted in accordance with the final commercial model.~~]Milestone Dates to be specified in the TTL Contract. The TTL Contract will specify a date in 2031 for MED, 2034 for MPC, and 2037 for MCOD. Longstop Dates will occur 6 months after each Milestone Date.]

(f) *Force Majeure and System Conditions*

~~(i) [NTD: Force Majeure consequences to be drafted in accordance with the final commercial model.]~~

(i) If, by reason of any act, event, cause or condition that constitutes Force Majeure, either Party is unable to perform or comply with its obligations (other than payment obligations) under the TTL Contract, or the Transmitter is unable to achieve any Milestone by the applicable Milestone Date for such Milestone or the applicable

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Longstop Date for such Milestone, then the Party so affected by Force Majeure shall be excused and relieved from performing or complying with such obligations (other than payment obligations) or meeting such timelines, as applicable.

(ii) If the Transmitter is unable to achieve Commercial Operation by the Milestone Date for Commercial Operation as a result of a System Condition, the Transmitter shall be excused and relieved from performing or complying with such obligation, and the Milestone Date for Commercial Operation shall be extended for such reasonable period of delay directly resulting from such System Condition event.

(g) *Performance Obligations*

(i) **[NTD: The IESO is considering the inclusion of performance obligations in the TTL Contract.]**

(h) *Completion and Performance Security*

(i) The Transmitter must, as of the Contract Date, provide to the IESO, Completion and Performance Security in an amount equal to **[●]**.

(ii) From and after the Contract Date and until the end of the Term, the Transmitter must maintain the Completion and Performance Security in the amount and for the period specified below:

[●].

[NTD: Completion and Performance Security amount and schedule to be drafted in accordance with final commercial model.]

(iii) The Completion and Performance Security must be in the form of a letter of credit in the form provided in the TTL Contract, for the full amount of the Completion and Performance Security.

(i) *Indigenous Community Participation*

(i) In connection with the IEPP Equity Percentage and the ~~IEPP~~ Non-Equity Commitments ~~Percentage~~ set out in the Transmitter's IEPP, the Transmitter shall provide regular updates on the fulfillment of its IEPP commitments, and shall include the status of progress towards fulfilling IEPP commitments in quarterly reports.

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[NTD: IEPP enforcement mechanisms to be drafted in accordance with the final commercial model.]

(j) *Canadian Content Requirements*

(i) If a Transmitter is a CCR Transmitter, the Transmitter will be required to meet the Canadian Content Requirements, provide a certificate stating the Actual Canadian Content Percentage as a condition of commercial operation, and, upon ~~Buyer's~~the IESO's request, provide ~~Buyer~~the IESO with supporting evidence substantiating the calculation of the Actual Canadian Content Percentage. If such Transmitter fails to meet the Canadian Content Requirements, the Transmitter will be subject to CCR Liquidated Damages as the sole and exclusive remedy for such failure.

(k) *Progress and Public Reporting*

(i) The Transmitter will be required to maintain its Project Website throughout the duration of the Contract Period and provide updates on matters including project development, permitting and progress in fulfilling its IEPP commitments.

(l) *Designated Team Members*

(i) The TTL Contract will include a requirement that any Designated Team Member whose experience was submitted to satisfy the Mandatory Requirements set out in Section 2.1(e)(iv) or which was the basis for the award of Rated Criteria Points under Section 4.3(e) remains a director or officer (as applicable) of the Proponent until COD, or, alternatively, that the Transmitter notify the IESO in advance of any departure of such Designated Team Member and obtain the IESO's prior written consent to replace such individual with a person having substantially equivalent experience, which consent may not be unreasonably withheld, conditioned or delayed by the IESO.

[NTD: This contract overview section is subject to change.]

2.3 No Exclusivity of Contract

The TTL Contract, if any, executed with the Transmitter will not be an exclusive contract for the provision of transmission services to meet system reliability needs (including in the Greater Toronto Area). The IESO may contract with others for products or services from other resources that serve similar purposes or may otherwise obtain the same or similar products, services or system benefits by other means.

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SECTION 3 – TTL RFP PROCESS OVERVIEW

3.1 Schedule

(a) Below is the schedule relating to this TTL RFP process (the "**Schedule**"):

TTL RFP Milestone	Date
IESO's release of the final TTL RFP and TTL Contract	**[●]** (the "**RFP Effective Date**")
Proponent's deadline for submitting questions and comments, if any	**[●]** (the "**Question and Comment Deadline**")
IESO's deadline for issuing Addenda to the TTL RFP and TTL Contract, if any	**[●]**
Proponent's Participation Confirmation Form submission deadline	**[●]** (the "**Participation Confirmation Deadline**")
Proposal submission deadline	**[●]** at 3:00 P.M. (EPT) (the "**Proposal Submission Deadline**")
Target date for notification to Selected Proponent	**[●]**

(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.

3.2 Questions and Comments

(a) This TTL RFP and the TTL Contract, as applicable, 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 TTL RFP and the TTL Contract by submitting a question or a comment by e-mail to [●] on or before the Question and Comment Deadline specified in the Schedule. The IESO will not be

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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 TTL RFP and the TTL Contract will be posted on the Website with 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 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 this TTL RFP.

3.3 Addenda

(a) This TTL RFP and the TTL Contract may be amended only by Addendum in accordance with this Section 3.3. If the IESO, for any reason, determines that it is necessary or appropriate to amend or provide additional information relating to the TTL RFP and the TTL Contract 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 this TTL RFP and the TTL Contract, as the case may be.

(b) Each Addendum may contain important information, including significant changes to this TTL RFP, the TTL Contract and their respective Prescribed Forms, 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 Proposal Submission Deadline for a reasonable amount of time having regard to the circumstances.

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3.4 Participation Confirmation

(a) The IESO will be using Workspaces, a file management platform, to facilitate the submission of Proposals. Proponents may access Workspaces on their browser by using the following link: **[workspaces.ieso.ca]**. As the first step of participating in this TTL RFP, interested Proponents must submit a Prescribed Form: Participation Confirmation Form to the IESO via email at **[●]**@ieso.ca to request access to Workspaces, prior to the Participation ~~Confiromation~~Confirmation Deadline. The email subject line must be in the following format: **[Proponent Name] : TTL Participation Confirmation**. The Prescribed Form: Participation Confirmation Form shall require the interested Proponent to identify the prospective Proponent and contact information of the prospective Proponent. For greater certainty, confirmation of participation pursuant to this Section 3.4(a) does not obligate a prospective Proponent to submit a Proposal. If the prospective Proponent submits a Proposal, the identity of such Proponent must be the same as the identity of the prospective Proponent provided in the Prescribed Form: Participation Confirmation Form.

(b) If an interested Proponent would otherwise fail to meet the participation confirmation requirements set out in ~~this~~ Section ~~3.4(b)~~3.4(a) as a result of a manifest error or deficiency in the Prescribed Form: Participation Confirmation Form, such as a missing date, name, signature or a typographical error, the IESO may, in its Discretion, issue a rectification notice identifying a perceived deficiency and in such case will provide the interested Proponent a single opportunity to rectify the perceived deficiency and submit the applicable corrected or completed materials within the time period specified by the IESO in such notice.

(c) The IESO will respond to the interested Proponent confirming the interested Proponent's participation and providing, in advance of the Proposal Submission Deadline:

(i) a Unique Proposal ID for the purposes of this TTL RFP; and

(ii) usernames and passwords for the contact persons of the Proponent to access Workspaces.

3.5 Communications

(a) 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*, compliance with the requirements of this TTL RFP, structuring or assembling a Proponent, participating in stakeholder engagement events administered by the IESO in respect of this

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TTL RFP, or responding to stakeholder solicitations or requests for comments from the IESO in respect of this TTL RFP (collectively, the "**Permitted Purposes**"). Therefore, the following communications rules apply with respect to this TTL RFP:

(i) Communications in respect of this TTL RFP must be only for the Permitted Purposes and for no other purposes; and

(ii) Permitted communications include communications with MPPs, mayors, municipal officials, municipal administrative staff, the media, members of the public, the IESO, the OEB and transmitters, for the Permitted Purposes and for no other purposes.

(iii) Communications in respect of this TTL RFP shall not be for the purposes (the "**Excluded Purposes**") of:

(A) obtaining (or attempting to obtain or lobbying to obtain) an unfair advantage in respect of the TTL RFP;

(B) influencing (or attempting to influence) the terms or outcome of the TTL RFP other than via participating in stakeholder engagement events administered by the IESO in respect of this TTL RFP or the TTL Contract, or responding to stakeholder solicitations or requests for comments from the IESO in respect of this TTL RFP or the TTL Contract;

(C) influencing (or attempting to influence) government officials, regulatory officials or the management or staff of the IESO, OEB or transmitters, with respect to this TTL RFP;

(D) denying (or attempting to deny) any other potential Proponent's fair, open and impartial consideration; or

(E) impairing (or attempting to impair) public confidence in the process or outcome of the TTL RFP.

(iv) The onus shall be on a Proponent to demonstrate that any communications in relation to this TTL RFP were not communications for Excluded Purposes.

(v) Communication for any Excluded Purposes shall be and is hereby expressly excluded from the Permitted Purposes.

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(vi) Communications with respect to this TTL RFP between Proponents or prospective Proponents and any member of the IESO's management or board of directors, the Evaluation Team or its advisors, other than as expressly provided in this TTL RFP, shall be considered to be communications for Excluded Purposes. Communications with IESO staff and the Ministry staff are permissible only for Permitted Purposes. Opportunities for communication with IESO or the Ministry staff or any other Person for Permitted Purposes shall not be used to carry out communications for Excluded Purposes.

(b) If a Proponent or prospective Proponent has any questions regarding the appropriateness of specific communications, they are advised to seek clarification from the IESO via the e-mail address: **[●]**.

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

(d) In cases of breach of the foregoing communications rules, the IESO may, in its Discretion, disqualify a Proponent or revoke the status of a Proponent, as the case may be. No Proponent 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 Proponent.

3.6 Proposal Requirements

(a) Proponents are responsible for ensuring that the Proposals are complete in every respect and in compliance with this TTL RFP. Proponents should structure their Proposals in accordance with the instructions in this TTL RFP. Where information is requested in this TTL RFP, any response made in a Proposal should reference the applicable section numbers of this TTL RFP where such request is made.

(b) The Proposals shall be unconditional. Any Proposal that is submitted subject to any condition will be rejected and such Proposal will no longer be considered in this TTL RFP process. Except as provided in Section 3.7(d)(iii) and 3.7(d)(iv), the Proposal Fee will be non-refundable.

(c) Apart from the completion of any blanks, bullets or similar uncompleted information in the Prescribed Forms, no amendments may be made to the

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pre-printed wording or formatting 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 Proposal, may result in the disqualification of the Proposal. All Prescribed Forms populated with relevant information from the Proponent must be signed by a director, officer or other person who has the authority to bind the Proponent.

(d) Certain Prescribed Forms are, or contain, statutory declarations. The onus is solely on Proponents to conduct all investigations and verifications necessary or appropriate, including any investigations required of any member(s) of the Proponent's team, to confirm that each of the statements set out in the declarations can be made accurately and truthfully. If the IESO determines that any matter declared is not materially true and correct, then the Proposal may be rejected. Additionally, misrepresentations in the Proposal will constitute a breach of the representations and warranties in the TTL Contract.

(e) The Proposal must be written in English only and must be submitted in electronic format, typed in black ink, printable on ~~an~~ 8.5 × 11-inch paper, and all pages in applicable documents should be numbered sequentially. Proposals 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 should provide detailed responses.

(f) If a Proponent is seeking to attain Rated Criteria Points under Section 4.3(c) by optionally electing to commit to a Committed Canadian Content Percentage, the Proposal shall include the Committed Canadian Content Percentage as part of the Proposal Workbook.

3.7 Proposal Submission

(a) To be considered, a Proponent must submit all of the ~~materials described in Sections~~prescribed forms required under Section 3.7(b)(i), the Proposal Fee required under Section 3.7(b)(ii) and the hard copy submission required under Section 3.7(c)(i) (collectively, a "**Proposal**"). It is the Proponent's responsibility to submit the Proposal to the IESO as prescribed by the requirements in Section 3.7(b) and 3.7(c) in all material respects. Any Proposal submission that is not received by the IESO per the requirements set out in Section 3.7(b) and 3.7(c) in all material respects will be rejected and the Proposal will no longer be considered in this TTL

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RFP process. Except as provided in Section 3.7(d)(iii) and 3.7(d)(iv), the Proposal Fee will be non-refundable.

(b) *Electronic Submission Requirements*

(i) To constitute a complete Proposal, Proponents must upload all of the following documents to the **[●]** folder within Workspaces, prior to the Proposal Submission Deadline:

	ELECTRONIC PROPOSAL REQUIREMENTS	
Item #	**Proposal Document**	**Format**
1.	TTLPF-EB100 - Prescribed Form: Economic Bid Statement	The proposed **[●]** shall be submitted by the Proponent in its Proposal and will be the subject of the price evaluation under the TTL RFP. All Proponents must submit their proposed **[●]** in the Prescribed Form: Economic Bid Statement. Proponents are strongly encouraged to use a filename that follows the naming convention: **Unique Proposal ID [●] TTLPF-EB100**.
2.	TTLPF-[●] – Prescribed Form: Technical Project Information	All Proponents must submit an electronic copy of the completed Prescribed Form: Technical Project Information. As part of this Prescribed Form, Proponents must submit: (a) an ~~**[attestation/electronic copy of the**~~ Independent Engineer Certificate~~]~~ that is signed and sealed by an Independent Engineer providing that the Proponent has completed a **[Class** ~~5 [AACE x] estimate~~**●]** cost estimate that was developed in accordance with AACE International Recommended Practices for the respective project cost components and has determined a preliminary route for the TTL Transmission Project~~;~~; (b) ~~[●],~~ a project delivery plan, including a permitting

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		plan, and an explanation of how the Proponent's design mitigates the risk of anchor drag and other disruptions to service of the TTL Transmission Project, and how the design will allow the TTL Transmission Project to be serviced; and (c) **[●]**. **[NTD: The IESO is considering whether a Class 4 cost estimate should be mandatory as it represents a higher required level of design completion in support of a Proposal.]** Proponents are strongly encouraged to use a filename for the Prescribed Form: Technical Project Information that follows the naming convention: **Unique Proposal ID [●] TTLPF-[●]**.
3.	TTLPF-PI100 - Prescribed Form: Proponent Information, Declarations and Workbook	All Proponents must submit an electronic copy of the completed Prescribed Form: Proponent Information, Declarations and Workbook. The Proponent must provide statutory declarations that: (a) the Proponent remains in compliance with the Registry Rules, including that it has not entered into a Prohibited Exclusivity Arrangement (as such term is defined in the Registry Rules); (b) the Proponent is compliant with the Control Group Restriction; (c) the Proponent has not and will not use any existing Ontario rate base to fund the development of its Proposal; and (d) the Proponent's Proposed Capital Cost was calculated using documented pricing indications or quotes from one or more Experienced OEMs in respect of the HVDC Components and the Converter Stations. As a part of this Prescribed Form, Proponents must submit the Proposal Workbook. The Proponent must also submit a summary of its IEPP as set out in the Proposal Workbook. If a Proponent is

		seeking to attain Rated Criteria Points under Section 4.3(c) by optionally electing to commit to a Committed Canadian Content Percentage, the Proponent must submit the Committed Canadian Content Percentage as part of the Proposal Workbook. Details relating to the Proponent's relationship to any TSF Registrant, the Proponent's Control Group Members, Team Member Experience and Organizational Experience must also be submitted as part of this Workbook, including the details required to enable the IESO to evaluate the Proposal against the Rated Criteria set out in Section 4.3(e). ~~The Proponent must provide declarations to the effect that: (a) the Proponent remains in compliance with the Registry Rules, including not entering into a Prohibited Exclusivity Arrangement (as such term is defined in the Registry Rules); (b) the Proponent is compliant with the Control Group Restriction and (c) the Proponent has not and will not use any existing Ontario rate base to fund the development of its Proposal.~~ Proponents are strongly encouraged to use a filename for the Prescribed Form: Proponent Information, Declarations and Workbook that follows the naming convention: **Unique Proposal ID [●] TTLPF-PI100**. Proponents are strongly encouraged to use a filename for the Proposal Workbook that follows the naming convention: **Unique Proposal ID [●] TTLPF-PW100**
4.	TTLPF-[●] - Prescribed Form: Evidence of Project Website	Each Proponent must submit an electronic copy of the completed Prescribed Form: Evidence of Project Website. As part of this Prescribed Form, Proponents

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		must submit screenshots demonstrating that each of the required items set out in Section 2.1(f)(i) was posted on the Project Website as of the relevant date, and such posted items were correct and complete as of such dates. Proponents are strongly encouraged to use a filename that follows the naming convention: **Unique Proposal ID [●] TTLPF-[●]**.
5.	TTLPF-MS100 - Prescribed Form: Indigenous Engagement and Participation Plan	All Proponents must submit an electronic copy of the completed Prescribed Form: Indigenous Engagement and Participation Plan. ~~The Proponent~~As part of this Prescribed Form, Proponents must submit (i) a copy of their IEPP; (ii) evidence confirming that the Proponent has delivered a Pre-Engagement Confirmation Notice to the applicable Local Body Administrator of all First Nation Communities on the Ministry Engagement List dated no later than ninety (90) days prior to the date of the Proposal Submission Deadline; and (iii) as part of the Proposal Workbook, the summary of the Proponent's IEPP as described in Item #3 of Section 3.7(b)(i). Proponents are strongly encouraged to use a filename that follows the naming convention: **Unique Proposal ID [●] TTLPF-MS100**.
6.	TTLPF-DP100 - Prescribed Form: Supply Chain Disclosure Plan	All Proponents must submit an electronic copy of the completed Prescribed Form: Supply Chain Disclosure Plan. As part of this Prescribed Form, Proponents must submit: (i) a Supply Chain Disclosure Plan as described in Section 2.1(h)(i); and (ii) as part of the Proposal Workbook, the SCDP Summary as described in Section

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		2.1(h)(ii). Proponents are strongly encouraged to use a filename for the Prescribed Form: Supply Chain Disclosure Plan that follows the naming convention: **Unique Proposal ID [●] TTLPF-DP100**.
7.	TTLPF-[●] - Prescribed Form: Evidence of Indigenous Community Participation Experience	If a Proponent is seeking to attain Rated Criteria Points under Section 4.3(d) by optionally electing to demonstrate experience establishing economic benefit arrangements with multiple Indigenous communities (located anywhere in Canada) during the Development of a Qualifying Infrastructure Project, the Proponent must submit an electronic copy of the completed Prescribed Form: Evidence of Indigenous Community Participation Experience, which includes the Proponent's Indigenous Community Participation Experience Letters.
8.	TTLPF-[●] – Prescribed Form: Municipal Engagement Plan	All Proponents must submit an electronic copy of the completed Prescribed Form: Municipal Engagement Plan. As part of this Prescribed Form, Proponents must submit the items described in Section 2.1(i). Proponents are strongly encouraged to use a filename that follows the naming convention: **Unique Proposal ID [●] TTLPF-[●]**.

(ii) Proponents must submit an electronic funds transfer or wire payable to the "Independent Electricity System Operator" in the amount of Two Hundred and Twenty Six Thousand Dollars ($~~[●]~~226,000) per Proposal (the "**Proposal Fee**"), which fee is inclusive of HST. Payment for the Proposal Fee must be sent to the following bank account:

Beneficiary: Independent Electricity System

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	Operator
Beneficiary	1600-120 Adelaide St West, Toronto
Address:	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:	TDOMCATTTOR

In order to ensure that the Proposal Fee deposited by the Proponent is identified and correctly applied, the electronic funds transfer or wire should include a deposit reference identifier in the form of the Unique Proposal ID. After making the payment, an email must be sent to **[●]** with a copy to ieso.treasury@ieso.ca with the following information: (a) Proponent name; (b) the Unique Proposal ID; (c) expected deposit date; and (d) amount of Proposal Fee deposited. Proponents are reminded that any bank wiring or electronic funds transfer fees (or equivalent) must be taken into account and Proponents are responsible to ensure that the full amount of the Proposal Fee is received by the IESO (net of any banking or transfer fees) by the Proposal Submission Deadline.

Any electronic funds transfers in a manner other than that described in this Section 3.7(b)(ii) will not be taken into account, except at the IESO's Discretion.

(iii) The Proposal documents that are required to be submitted to the IESO on Workspaces in accordance with Section 3.7(b)(i)~~,~~ and the Proposal Fee ~~and the email confirming payment of the Proposal Fee,~~ must each be received by the IESO, in the correct Workspaces folder, and in the IESO's bank account ~~and email inbox~~, as applicable, by no later than the Proposal Submission Deadline. Proponents are solely responsible for their technology and the transmission of the Proposal submission (including the full amount of the Proposal Fee). The IESO shall utilize the later of the time stamp generated at the time of receipt on Workspaces~~,~~ and the time of receipt of the Proposal Fee in the IESO's bank account~~, and the time stamp generated at the time of receipt in the [●] inbox~~ to determine compliance with the Proposal Submission Deadline.

Any delays due to firewalls, technical faults, file size, unreadable or partial scans of compiled documents, forms or attachments, electronic funds transfers, or a high volume of Proposals will not

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be taken into account. These time stamps (being the time that the ~~email confirming payment of the~~ Proposal Fee is received by the IESO or the time that uploads to Workspaces are complete, as applicable) will be the sole determinants of whether electronic Proposal documents were received prior to the Proposal Submission Deadline. For clarity, the IESO will not be responsible for late deliveries, deliveries to the incorrect email address or Workspaces folder or other electronic delivery failures. Proposal documents submitted after the Proposal Submission Deadline will not be accepted. Proponents are advised that the IESO's firewall may reject emails containing attachments when originating from certain public email platforms such as gmail.com; yahoo.com; hotmail.com; msn.com; sympatico.ca; rogers.com and similar public email systems.

For further clarity, if any Proposal document is uploaded to Workspaces or ~~the email confirming payment of the Proposal Fee is shown to have been received in the [●] inbox or~~if payment of Proposal Fees is received in the IESO's bank account at ~~anytime~~any time after the Proposal Submission Deadline, the entire Proposal will be rejected and the Proposal will no longer be considered in this TTL RFP process. Except as provided in Section 3.7(d)(iii) and 3.7(d)(iv), the Proposal Fee will be non-refundable. **Proponents are strongly encouraged to submit their Proposals and payments sufficiently in advance of the Proposal Submission Deadline to avoid any unforeseen delays in electronic delivery or processing of payments.**

(c) *Hard Copy Submission Requirements*

(i) In addition to the electronically submitted documents identified in Section 3.7(b)(i), a Proponent must provide the following Proposal documents in hard copy submission to the IESO's address provided in Section 3.7(c)(iii) prior to the Proposal Submission Deadline:

HARD COPY PROPOSAL REQUIREMENTS	
Proposal Document	**Delivery and Format**
Proposal Security	One original hard copy of the Proponent's Proposal Security in the amount specified in Section 3.7(c)(ii), which should be contained in a separate, opaque and sealed envelope marked "**Proposal Security**" and with the Unique Proposal ID.

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(ii) The amount of Proposal Security (which shall be converted into Completion and Performance Security upon execution of the TTL Contract) shall be ~~[●]~~Fifty Million Dollars ($~~[●]~~50,000,000).

(iii) Proposal documents required to be submitted to the IESO in hard copy format shall be delivered to the address below:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1
Attention: TTL RFP

(iv) The Proposal documents that are required to be submitted to the IESO in hard copy format in accordance with Section 3.7(c)(i) must be received by the IESO in a single envelope, prior to the Proposal Submission Deadline. The IESO shall create a time stamp upon receipt of the hard copy materials and provide the Proponent a record of such time stamp. This time stamp will be the sole determinant of whether hard copy Proposal documents were received prior to the Proposal Submission Deadline.

(v) Proponents are encouraged to submit a cover letter with the hard copy of the Proposal Security that clearly identifies the Proponent's name, and Unique Proposal ID. Proponents are encouraged to affix a label to the outside of the hard copy submission package, that clearly indicates the Proponent's name and address along with the IESO's mailing address (the "**Proposal Submission Label**"). The form of the Proposal Submission Label has been provided in APPENDIX C to this TTL RFP.

(d) *Amendment, Withdrawal or Non-Submission of Proposals*

(i) Proposals cannot be amended once submitted, except at the express request of the IESO in its ~~sole discretion~~Discretion in exercising a reserved right under Sections ~~2.1(d)(iii)~~2.1(e)(iii)(C), 4.1 or 5.10(a).

(ii) At any time prior to the Proposal Submission Deadline, a Proponent may withdraw a submitted Proposal by emailing notice of such withdrawal in the Prescribed Form: Notice of Proposal Withdrawal to the IESO at **[●]** and, provided that such Prescribed Form: Notice of Proposal Withdrawal is received by the IESO

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prior to the Proposal Submission Deadline, the entire Proposal described therein shall be deemed to have been withdrawn.

(iii) If a Proponent withdraws a Proposal prior to the Proposal Submission Deadline, the IESO will not process such Proposal and will return such Proposal, including the Proposal Fee and the Proposal Security, to the Proponent.

(iv) If a Proponent makes payment of the Proposal Fee or delivers the Proposal Security but does not submit a Proposal prior to the Proposal Submission Deadline, the IESO will return such Proposal Fee and Proposal Security, as applicable, to the prospective Proponent.

(e) *Irrevocability*

(i) Proposals shall be irrevocable in the form submitted by the Proponent from the Proposal Submission Deadline until 3:00 P.M. (EPT) on the **[one hundred and eightieth (180th)]** day after the Proposal Submission Deadline or for such longer period as agreed to from time to time pursuant to the provisions of this Section 3.7(e) (the "**Period of Irrevocability**").

(ii) If the IESO wishes to extend the Period of Irrevocability, the IESO shall submit a request prior to the expiry of the Period of Irrevocability to those Proponents who have not yet been notified in accordance with this TTL RFP that they were not selected by the IESO under this TTL RFP. A Proponent may, in its discretion, consent to extend its Period of Irrevocability and, in such case, must notify the IESO of such consent within five (5) Business Days after such request was made.

(iii) If a Proponent does not respond to the request within five (5) Business Days or refuses to extend the Period of Irrevocability, the Proponent's Proposal shall continue to be irrevocable in accordance with its original Period of Irrevocability.

(iv) If the IESO determines in its Discretion that it will be unable to award contracts prior to the expiration of the applicable Period of Irrevocability, it will, after the expiration of the Period of Irrevocability, cease to consider the Proposal(s) of a Proponent who has refused the IESO's request to extend its Period of Irrevocability or has failed to provide a written response to the IESO within five (5) Business Days of such request by the IESO. The IESO will continue to evaluate Proposals of those Proponents who have consented to an extension to their Period of

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Irrevocability and award contracts, if at all, only to such remaining Proponents.

3.8 Notification of Selected Proponent and Other Proponents

(a) *Selected Proponent*

(i) Once the Selected Proposal is chosen by the IESO, the IESO will notify the Selected Proponent in writing of the selection~~, and will notify the other Proponents that were not chosen by the IESO in accordance with Section 3.8(b)~~.

(ii) ~~[~~The IESO may at its Discretion, prior to the financial market opening in Toronto, Ontario, ~~**in accordance with the Schedule,**~~ make a public announcement of such selection, noting that such selection is subject to the successful completion and execution of the TTL Contract and related closing documents.~~]~~

(iii) The IESO will forward to the Selected Proponent a copy of the TTL Contract and those related closing documents prepared by the IESO for completion and execution by the Selected Proponent, and the date that the TTL Contract and such closing documents are sent by the IESO to the Selected Proponent is referred to as the "**TTL Contract Receipt Date**".

(iv) ~~(iii)~~ The Selected Proponent must, within twenty (20) Business Days after the TTL Contract Receipt Date,

(A) authorize the IESO to convert and maintain the Proposal Security to be held as Completion and Performance Security, and

(B) execute and deliver the TTL Contract together with all related closing documents required by the IESO (including certificates of status or equivalent).

For greater certainty, it is the Selected Proponent who must execute and deliver the TTL Contract, and the Selected Proponent may not substitute or propose to substitute another party in its place.

(v) ~~(iv)~~ Should the Selected Proponent fail to execute and deliver the TTL Contract and all related closing documents required by the IESO within the required timeframes in respect of the Selected Proposal, such Selected Proponent will be in breach of this TTL RFP with respect to such Proposal and the IESO may, in its

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Discretion, disqualify such Selected Proposal and/or draw upon the Proposal Security, which remedies shall be the sole and exclusive remedies of the IESO as a result of such Selected Proponent's breach of this TTL RFP.

(vi) ~~(v)~~ Once the required Completion and Performance Security and the executed TTL Contract and all related closing documents have been delivered to the IESO by the Selected Proponent, the IESO will coordinate, in consultation with the Selected Proponent, public announcements (or further public announcements) concerning the TTL Transmission Project.

(b) *Other Proponents*

(i) The IESO will notify a Proponent whose Proposal did not become the Selected Proposal, either:

(A) after the evaluation for Stage 1 has concluded for all Proponents, that a Proponent's Proposal has failed to satisfy the Stage 1 completeness requirements set out in Section 4.1; or

(B) after the Selected Proponent has executed and delivered the TTL Contract and all related closing documents,

and that, in either case, they were not selected by the IESO under this TTL RFP and such decision is final and binding.

(ii) Within **[●]** days of being notified pursuant to Section 3.8(b)(i), a Proponent whose Proposal did not become the Selected Proposal must remove its Project Website.

3.9 Debriefing

(i) Any Proponent whose Proposal did not become the Selected Proposal, other than as a result of **[●]**, as indicated in the IESO's notification under Section 3.8(b) above, may request a debriefing after being notified of their status.

(ii) The IESO will hold a single debriefing meeting for each eligible Proponent in which they can discuss their rejected Proposal. Requests must be made in writing through the **[●]** email address and must be made within thirty (30) days of such notification. The intent of the debriefing session is to assist the Proponent in

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presenting a better proposal in subsequent procurement opportunities.

(iii) Any debriefing provided is not offered for the purpose of providing an opportunity to challenge this TTL RFP procurement process.

~~**[NTD: additional debriefing procedures may be included.]**~~

3.10 Confidentiality

(a) Information provided by a Proponent is subject to, and may be released in accordance with, the provisions of the *Freedom of Information and Protection of Privacy Act* (Ontario). A Proponent is required to clearly identify any portion of any Proposal that contains proprietary or confidential information by marking it as "Proprietary and Confidential". Only those portions of a Proposal that are marked as "Proprietary and Confidential" will be accorded confidential treatment by the IESO in accordance with this Section 3.10.

(b) The confidentiality of any such information identified by the Proponent 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 Proponent 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 Proposals will, as deemed necessary by the IESO, be disclosed on a confidential basis, to the Evaluation Team, the IESO, the Government of Ontario, the Fairness Advisor, the IESO's counsel and other advisors retained in connection with the TTL RFP and

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in the evaluation of the Proposals and/or the administration of the TTL RFP procurement process.

(d) All information provided by or obtained from the IESO in any form in connection with this TTL RFP 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 TTL RFP;

(ii) must not be disclosed without the prior written authorization of the IESO; and

(iii) shall be returned by the Proponent to the IESO immediately upon the request of the IESO.

3.11 Disclosure of Proponents and Project Information

Notwithstanding Section 3.10, the IESO may choose to publish or otherwise disclose all or any part of the following information regarding the Proposals subsequent to notifying all successful and unsuccessful Proponents or following the completion of this TTL RFP:

(a) Proponent Name;

(b) Proponent Public Contact Details; and

(c) **[**~~pricing information~~**the Proposed Capital Cost]** set out in the Proposal.

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

SECTION 4 – PROPOSAL EVALUATION

The evaluation of Proposals will be conducted by the IESO in five distinct stages as follows:

4.1 Stage 1 – Completeness Requirements

In Stage 1, each Proposal will pass or fail depending on whether the Proposal is complete and contains all fully completed documents, forms and declarations required by Section 3.7 of this TTL RFP.

All Proposals must be complete in all respects at the time of submission. If a Proposal would otherwise fail the Stage 1 completeness review as a result of a manifest error or deficiency on a submitted Prescribed Form, such as a missing date, name, signature or a typographical error (and not, for certainty, a failure to pay the Proposal Fee, a failure to deliver the Proposal Security as required by Section 3.7 or a failure to submit a Prescribed Form in its entirety that is required by Section 3.7), the IESO may, in its

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Discretion, issue a rectification notice identifying a perceived deficiency and in such case will provide the Proponent a single opportunity to rectify the perceived deficiency and submit the applicable corrected or completed materials within the time period specified by the IESO in such notice.

For greater certainty, a failure by a Proponent to complete a Prescribed Form for the purposes of having their Rated Criteria evaluated or attaining an Evaluated Proposal Price reduction under Section 4.4(b), as applicable, shall not fail the Stage 1 completeness review as a result of such failure, and such failure will only result in a failure to be awarded the applicable Rated Criteria Points or the Evaluated Proposal Price reduction, as applicable.

4.2 Stage 2 – Mandatory Requirements

In Stage 2, each Proposal will pass or fail depending on whether, based on the information provided in the Proposal, the Proposal meets the following mandatory requirements (the "**Mandatory Requirements**"):

(a) the Proponent and the Proposal satisfy each of the eligibility requirements specified in Section 2.1.

For greater certainty, the determination of whether such Mandatory Requirements are met will be based on the Proposal materials contained solely in the submission documents as set out in Section 3.7(b)(i). Proposals that do not demonstrate that the Proponent satisfies the Mandatory Requirements set out in this Section 4.2 will not be evaluated further and will be rejected.

4.3 Stage 3 – Rated Criteria

All Proposals that have passed Stage 1 and Stage 2 shall have their Rated Criteria evaluated by the IESO. The IESO will assign "**Rated Criteria Points**" to such Proposals as set out in this Section. There shall be a maximum of **[●]** possible Rated Criteria Points awarded to any Proposal. The Rated Criteria to be used by the IESO are as follows: **[NTD: Additional rated criteria may be included based on the outcomes of ongoing technical scoping. The IESO is considering Rated Criteria for de-risking.]**

(a) *IEPP Equity Percentage*

Rated Criteria Points available	**IEPP Equity Percentage**
[●]	If the IEPP Equity Percentage is equal to or more than ~~[●]~~fifty percent (~~[●]~~50%).

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Rated Criteria Points available	IEPP Equity Percentage
[●]	If the IEPP Equity Percentage is equal to or more than ~~[●]~~twenty-five percent (~~[●]~~25%) but less than ~~[●]~~fifty percent (~~[●]~~50%).
[●]	If the IEPP Equity Percentage is equal to or more than ~~[●]~~ten percent (~~[●]~~10%) but less than ~~[●]~~twenty-five percent (~~[●]~~25%).
0	If the IEPP Equity Percentage is less than ~~[●]~~ten percent (~~[●]~~10%).

(b) *IEPP Non-Equity Commitments ~~Percentage~~*

[NTD: The IESO is considering a ranked approach to evaluation on the basis of total dollar amounts committed to be invested in Non-Equity Commitments. The IESO is also considering enforcement mechanisms and consequences in the event Non-Equity Commitments are not fulfilled, including a reduction in the Total Capital Cost to account for any shortfalls.]

~~Rated Criteria Points available~~	~~IEPP Non-Equity Commitments Percentage~~
~~[●]~~	~~If the IEPP Non-Equity Commitments Percentage is equal to or more than [●] percent ([●]%).~~
~~[●]~~**Rated Criteria Points Available**	~~If the IEPP~~ **Non-Equity Commitments** ~~Percentage is greater than or equal to [●] percent ([●]%) but less than [●] percent ([●]%).~~
[●]	~~If the~~**[The Proponent's IEPP proposes the highest total dollar value to be invested in Non-Equity Commitments** ~~Percentage is greater than or equal to [●] percent ([●]) but less than [●] percent ([●]%).~~**out of all Proponents' IEPPs.]**
~~0~~[●]	~~If the IEPP Non-Equity Commitments Percentage is less than [●] percent ([●]%).~~**[All other Proponents would be scored on a proportional basis relative**

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	to the Proponent whose IEPP proposes the highest total dollar value to be invested in Non-Equity Commitment.]

(c) *Committed Canadian Content Percentage*

[NTD: The IESO is currently considering a ranked approach to evaluation of this Rated Criterion.]

Rated Criteria Points available	Committed Canadian Content Percentage
[●]	~~If the~~[The Proponent's Committed Canadian Content Percentage is ~~equal to or more than [●] percent ([●]%).~~the highest out of all Proponents.]
[●]	~~If the~~[Other Proponents will be scored on a proportional basis relative to the Proponent whose Committed Canadian Content Percentage is ~~greater than or equal to [●] percent ([●]%) but less than [●] percent ([●]%).~~the highest.]
~~[●]~~	~~If the Committed Canadian Content Percentage is greater than or equal to [●] percent ([●]%) but less than [●] percent ([●]%).~~
~~0~~	~~If the Committed Canadian Content Percentage is less than [●] percent ([●]%).~~

ous ~~Community~~ Participation ~~Experience~~Track Record

Rated Criteria Points available	Indigenous ~~Community~~ Participation ~~Experience~~Track Record
~~1~~[●]	If the Proponent submits Indigenous Community Participation Experience Letters from more than one Indigenous community ~~(located anywhere in Canada)~~ in relation to a single Qualifying Infrastructure Project located in Ontario (confirming that an equity or non-equity economic benefit arrangement was

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	established between such Indigenous community ~~(located anywhere in Canada)~~ and a Proponent Group Member).
~~0~~[●]	If the Proponent ~~does not submit~~submits Indigenous Community Participation Experience Letters from more than one Indigenous community ~~(located anywhere in Canada)~~ in relation to a single Qualifying Infrastructure Project located anywhere in Canada other than Ontario (confirming that an equity or non-equity economic benefit arrangement was established between such Indigenous community and a Proponent Group Member).
0	If the Proponent does not submit Indigenous Community Participation Experience Letters from more than one Indigenous community in relation to a single Qualifying Infrastructure Project located anywhere in Canada.

(e) *Combined Organizational and Team Member Experience*

Rated Criteria Points available	**Combined Organizational and Team Member Experience**
[●]	If the Proponent demonstrates both Organizational Experience and Team Member Experience in respect of each of the Indigenous Experience Category, the HVDC Experience Category, and the Underwater Experience Category.
[●]	If the Proponent demonstrates both Organizational Experience and Team Member Experience in respect of the Indigenous Experience Category and both Organizational Experience and Team Member Experience in respect of one of either the HVDC Experience Category or the Underwater Experience Category.
0	If the Proponent meets only the minimum mandatory experience requirements set out in Section 2.1(e). .

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(f) *Cost Estimate Maturity*

[NTD: The IESO is considering awarding additional Rated Criteria Points for the maturity of the Proponent's cost estimate, which would be evaluated based on the submission of an Independent Engineer Certificate that is signed and sealed by an Independent Engineer providing that the Proponent has completed a cost estimate that is more advanced, according to specified criteria, than the mandatory minimum required class of cost estimate under Item 2 of Section 3.7(b)(i).]

(g) *Experience Delivering Similar Projects*

[NTD: The IESO is also considering awarding additional Rated Criteria Points where the Proponent has satisfied both the HVDC Experience Category and the Underwater Experience Category in respect of the same qualifying Transmission Project (including each of the functions of Developing, Financing, Constructing, and Operating) at the Organizational Experience level.]

Rated Criteria Points available	**Experience Delivering Similar Projects**
[●]	**[The Proponent demonstrates Organizational Experience in respect of the same Transmission Project to satisfy both the HVDC Experience Category and the Underwater Experience Category, and the Proponent demonstrates that it has Operated such Transmission Project.]**
0	**[The Proponent does not demonstrate Organizational Experience in respect of the same Transmission Project to satisfy both the HVDC Experience Category and the Underwater Experience Category, or the Proponent does not demonstrate that it has Operated such Transmission Project.]**

4.4 Stage 4 – Review of Economic Bid Statement

(a) All of the Proposals that have passed Stage 2 and have had their Rated Criteria evaluated by the IESO in Stage 3, will have their Economic Bid Statement opened.

(b) *Evaluated Proposal Price and Ranking*

(i) All Proposals shall have their proposed Economic Bid Statement evaluated using the Rated Criteria Points to calculate the "**Evaluated Proposal Price**".

(ii) The Evaluated Proposal Price shall only be used by the IESO to rank the Proposals. Such Evaluated Proposal Price shall not impact the ~~[●]~~Total Capital Cost under the TTL Contract, which shall be based on the ~~[●]~~Proposed Capital Cost submitted in the Economic Bid Statement.

[NTD: Further details on the calculation and function of the Evaluated Proposal Price will be ~~provided upon the finalization of the overall commercial model under~~subject to future sector engagement and set out in a subsequent RFP draft. The cost estimate provided in the Economic Bid Statement must be calculated on the basis of quoted prices by an Experienced OEM for HVDC Components and Converter Stations (as such terms are defined in the TTL Contract).]

(iii) Subject to Section 5.10(l), all Proposals that have a ~~[total capital cost of the TTL Transmission Project]~~Proposed Capital Cost that exceeds the Reserve Price will not be evaluated further and will be rejected. For greater certainty, this exceedance of the Reserve Price threshold shall be assessed using the Proposed Capital Cost submitted in the Proponent's Economic Bid Statement, and not using the Proponent's Evaluated Proposal Price.

(iv) Proposals will be ranked in order of their Evaluated Proposal Price, with the lowest Evaluated Proposal Price receiving the highest priority, the second lowest Evaluated Proposal Price receiving the second highest priority, and so on until all of the Proposals have been ranked according to their Evaluated Proposal Prices.

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4.5 Stage 5 – Selected Proponent

The Proponent whose Evaluated Proposal Price ranks highest ~~and [total capital cost of the TTL Transmission Project]~~(based on the Lowest Evaluated Proposal Price) and whose Proposed Capital Cost does not exceed the Reserve Price (the "**Selected Proposal**") shall be the "**Selected Proponent**" and shall be required to enter into the TTL Contract as described in Section 2.2 in respect of the applicable Proposal, and to carry out the provisions of the TTL Contract.

SECTION 5 – ADDITIONAL TERMS AND CONDITIONS

5.1 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 Proponent to deliver submissions as specified in this TTL RFP by the relevant deadline.

5.2 TTL RFP Documents

(a) The following materials form part of, and are incorporated into, this TTL RFP:

(i) the body of this TTL RFP and all Appendices;

(ii) any Addenda; and

(iii) all Prescribed Forms.

(b) Any conflict or inconsistency between this TTL RFP, the Prescribed Forms, 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;

(ii) the body of this TTL RFP and APPENDIX A;

(iii) other Appendices to this TTL RFP; and

(iv) Prescribed Forms.

(c) All other information and materials are provided for information purposes only, do not form part of this TTL RFP and are not binding on the IESO.

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(d) In the event of any conflict or inconsistency between the terms of this TTL RFP and the Proposal, this TTL RFP shall govern over the Proposal to the extent of any conflict or inconsistency.

(e) Once the TTL Contract is executed, the TTL Contract will govern over this TTL RFP.

5.3 Compliance

If, in the Discretion of the IESO, a Proposal does not comply with the requirements set out in this TTL RFP, the IESO may, without liability, cost or penalty, disqualify the Proposal and the Proposal shall not be given any further consideration. For purposes of this TTL RFP, "**comply**" means that the Proposal conforms to the requirements of this TTL RFP without Material Deviation.

For the purpose of clarity, each Proponent acknowledges and agrees that the IESO's evaluation of compliance with this TTL RFP 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.

5.4 Return of Proposal Security

(a) For each Proponent whose Proposal does not pass any of the stages set out in Section 4 of this TTL RFP, the applicable Proposal Security will be returned to the address provided on the Proposal Submission Label within ten (10) Business Days of the Proponent being notified by the IESO that their Proposal did not pass any of the stages set out in Section 4 of this TTL RFP or that their Proposal was otherwise rejected.

(b) For the Selected Proposal, the Selected Proponent is required to authorize the IESO to convert the Proposal Security into Completion and Performance Security, which will be retained by the IESO for purposes of the TTL Contract.

5.5 Participation Costs

(a) Each Proponent will bear all costs and expenses in connection with its participation in this TTL RFP, including any costs incurred in the review of this TTL RFP and any expert advice required in responding to this TTL RFP. For greater certainty, such costs may not be included, directly or indirectly, in any submissions to the OEB in relation to any other assets.

(b) The IESO and its advisors shall not be liable to pay any Proponent's costs under any circumstances. In particular, the IESO will not reimburse the Proponents in any manner whatsoever in the event of rejection or

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disqualification of any or all Proposals or in the event of the cancellation of this TTL RFP for any reason.

(c) Subject to Section 5.6, by submitting any submission in response to this TTL RFP, the Proponent irrevocably and unconditionally waives any claims against the IESO and its advisors relating to the Proponent's costs and expenses.

5.6 Material Breach of this TTL RFP

Each Proponent agrees that, if the IESO commits a material breach of this TTL RFP, the IESO's liability to the Proponent, 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, 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 Proponent seeking damages from the IESO can demonstrate and shall in any event not include any lost profits or indirect, punitive or consequential damages.

5.7 Verification

All statements, information and documentation submitted as part of any Proposal are subject to verification and enforcement in accordance with the terms of this TTL RFP. 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 Proposal and the Proponent's status.

5.8 Other Procurement Processes

(a) Participation in this TTL RFP 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 TTL RFP is not in any way intended to preclude, restrict or otherwise discourage any Proponent from proceeding with the development of facilities or resources outside the scope of the IESO's procurement processes.

5.9 Governing Law

This TTL RFP 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 Proponent submits to the exclusive jurisdiction of the courts of the Province of Ontario situated in Toronto.

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5.10 Reserved Rights

Notwithstanding any other provision of this TTL RFP, the IESO reserves the right to, at its Discretion:

(a) request written clarification or the submission of supplementary written information from any Proponent and incorporate the response to that request for clarification into that Proponent's submission;

(b) meet with some or all Proponents to discuss aspects of their submissions;

(c) verify with any Proponent, or with a third party, any information set out in a submission;

(d) contact any party providing financing, including obtaining information on such party whether directly from the party or a third party;

(e) disqualify any Proponent 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 Proponent or the submission of any such party who has engaged in conduct prohibited by this TTL RFP;

(h) make changes, including substantial changes, to this TTL RFP in the manner set out in this TTL RFP;

(i) cancel this TTL RFP process at any stage;

(j) cancel this TTL RFP process at any stage and issue a new process for the same or similar deliverables;

(k) reject any or all Proposals at the IESO's Discretion;

(l) accept any Proposals for which the ~~**[total capital cost of the TTL Transmission Project]**~~Proposed Capital Cost is in excess of the threshold set out in Section ~~4.4(b)~~4.4(b)(iii); or

(m) if only one Proposal is received, elect to accept or reject it,

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 Proponent, or any third party resulting from the IESO exercising any of its express or implied rights under this TTL RFP.

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By submitting a Proposal, the Proponent authorizes the collection by the IESO of the information set out under Sections 5.10(c), 5.10(d), and 5.10(e) above.

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APPENDIX A – GLOSSARY OF TERMS

[NTD: definitions to be updated based on final RFP design, including the commercial model of the TTL Contract and Rated Criteria.]

Actual Canadian Content Percentage	means~~,~~ the actual percentage of the total, documented portion(s) of the Total Capital Cost paid by the Transmitter that are in respect of Construction Materials and Construction Labour that, in the case of Construction Materials, are in respect of Canadian Construction Materials and, in the case of Construction Labour, are paid to Canadian Construction Labour Suppliers.
Addenda	means the documents expressly identified as addenda and issued by the IESO to Proponents in accordance with this TTL RFP and "**Addendum**" means any one of such documents.
Affiliate	~~has the meaning given to it in the TTL Contract~~means any Person that: (i) Controls the Proponent; (ii) is Controlled by the Proponent; or (iii) is Controlled by the same Person that Controls the Proponent.
~~Ancillary Services~~	~~has the meaning given to it in the TTL Contract.~~
Appendix or Appendices	means the Appendix or Appendices that form part of this TTL RFP.
Business Day	means a day, other than a Saturday or Sunday or statutory holiday in the Province of Ontario, from time to time, but excluding from such statutory holidays Easter Monday, Remembrance Day and National Day for Truth and Reconciliation.
Canadian Construction Labour Supplier	has the meaning given to it in the TTL Contract.
Canadian Construction Materials	has the meaning given to it in the TTL Contract.
Canadian Content Requirements	means that the Actual Canadian Content Percentage is no less than the Committed Canadian Content Percentage.
Canadian Status Service	means a service where all of the natural persons physically performing the service perform such service in Canada and are Ordinarily Resident in Canada.

Canadian Status Supply-Chain Participant	has the meaning given to it in the TTL Contract.
Capacity Funding	means funding for costs incurred by a First Nation Community on the Ministry Engagement List to engage with Proponents in relation to the TTL Transmission Project, including funding for costs incurred to obtain third-party technical, legal and financial advisor services.
Capital Cost Components	has the meaning given to it in the TTL Contract.
CCR Liquidated Damages	has the meaning given to it in the TTL Contract.
CCR Transmitter	has the meaning given to it in the TTL Contract.
Commercial Operation	has the meaning given to it in the TTL Contract.
Commercial Operation Date	has the meaning given to it in the TTL Contract.
Committed Canadian Content Percentage	means the minimum percentage of the total portion(s) of the Total Capital Cost in respect of Construction Materials and Construction Labour that the Proponent commits to be paid, in the case of Construction Materials, in respect of Canadian Construction Materials and, in the case of Construction Labour, to Canadian Construction Labour Suppliers, rounded to the nearest whole percentage value.
Completion and Performance Security	has the meaning given to it in the TTL Contract.
Conflict of Interest	means, without limitation, any situation or circumstance where, in relation to this TTL RFP process, the Proponent obtains an unfair advantage or engages in conduct, directly or indirectly, that may allow it to obtain an unfair advantage, including: (i) having or having access to information in the preparation of its Proposal that is confidential to the IESO or the Government of Ontario and that is not available to other Proponents; (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

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	treatment in this TTL RFP process; or (iii) engaging in conduct (including breach of Non-Collusion Requirements) that compromises or could be seen to compromise the integrity of the open and fair TTL RFP process and ~~tend~~tends to render that process non-competitive and unfair.
~~Connection Point~~	~~means the *connection point*, as defined under the Market Rules, located at each of the following locations:~~ ~~(A) [●]; and~~ ~~(B) [●].~~
Constructed	means: (A) where a Transmission Project has reached commercial operation, prior demonstrable experience in undertaking or overseeing the building, erecting, constructing, installing, testing, start-up and commissioning of such Transmission Project; or (B) where a Transmission Project is being constructed as of the Proposal Submission Deadline, prior demonstrable experience in undertaking or overseeing the building, erecting, constructing, installing, testing, start-up and commissioning of such Transmission Project to the extent such tasks have been completed prior to the Proposal Submission Deadline.
Construction ~~Materials~~Labour	has the meaning given to it in the TTL Contract.
Construction ~~Labour~~Materials	has the meaning given to it in the TTL Contract. **[NTD: The IESO is considering the inclusion of steel, aluminum and concrete.]**
Contract Date	has the meaning given to it in the TTL Contract.
Contract Period	has the meaning given to that term in Section 1.2.
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

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	interests of that Person carrying votes or ownership interests sufficient to elect or appoint fifty percent (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 Proponent, an entity that, directly or indirectly: (a) Controls the Proponent, or (b) is Controlled by the Proponent, or (c) is Controlled by the same entity that Controls the Proponent.
Control Group Restriction	has the meaning given to that term in Section 2.1(c).
Converter Station	has the meaning given to it in the TTL Contract.
Corridor Study	means **[●]**.
Crown	means His Majesty the King in Right of the Province of Ontario or His Majesty the King in Right of Canada.
Designated Team Member	has the meaning given to that term in Section 2.1(e)(iv).
Developed	means prior demonstrable experience in planning, designing, scheduling, engineering and procuring materials, engaging in community and municipal consultations, obtaining site access, obtaining regulatory and environmental approvals and other permits necessary for construction of a Transmission Project.
Discretion	means the sole and absolute discretion of the IESO.
Dollars	means Canadian dollars and cents.
Economic Bid Statement	means the Prescribed Form containing **[●]**.
Economic Interest	~~has the meaning given to it in the TTL Contract~~means, with respect to any Person other than a natural Person, the right to receive or the opportunity to participate in any

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	payments arising out of or return from, and an exposure to a loss or a risk of loss by, the business activities of such Person, by means, directly or indirectly, of an equity interest in a corporation, limited partnership interest in a limited partnership, partnership interest in a partnership, units or interests in a trust, membership in a co-op, or, in the sole and absolute discretion of the IESO, other similar ownership interest.
Electrical Safety Authority	means the organization created and described pursuant to O.Reg 89/99 under the Electricity Act.
Electricity Act	means *Electricity Act, 1998* (Ontario).
Environmental Effects Monitoring Program	has the meaning given to it in the TTL Contract.
EPC Contract	has the meaning given to it in the TTL Contract.
EPT	means Eastern Prevailing Time.
Evaluated Proposal Price	has the meaning given to that term in Section 4.4(b)(i).
Evaluation Team	means, collectively, the IESO's personnel and advisors (legal or otherwise) who are involved in evaluating Proposals.
Excluded Purposes	has the meaning given to that term in Section 3.5(a)(iii).
Experience Categories	has the meaning given to that term in Section 2.1(e)(ii)(C).
Experienced OEM	has the meaning given to it in the TTL Contract.
Fairness Advisor	means the Person who is retained by the IESO to provide (i) independent assurance to Proponents 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.
Financed	means prior demonstrable experience arranging non-recourse project financing, bank financing, or on-balance sheet financing sufficient to commence

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	construction of a Transmission Project.
First Nation Community	means, for the purposes of this TTL RFP, (a) a First Nation located in whole or in part in Ontario that is a "band" as defined in the *Indian Act* (Canada); or (b) a Person, other than a natural Person, that has been determined by the Government of Ontario (for purposes of this TTL RFP) to represent the collective interests of a community that is composed of First Nation natural Persons in Ontario.
Functional Requirements	means **[●]. [NTD: The functional requirements of the TTL Transmission Project will be attached to future versions of the TTL Contract. Among other requirements, the IESO may prescribe a minimum depth of drilling below the lakebed.]**
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, but excluding the IESO when acting in a capacity other than as the System Operator.
HVDC Component	has the meaning given to it in the TTL Contract.
HVDC Experience Category	has the meaning given to that term in Section 2.1(e)(ii)(A).
IEPP Equity Percentage	means the minimum percentage of the total Economic Interest in the Transmitter, as set out in the Proponent's IEPP, that the Proponent has committed to offer or make available, until ~~at least the expiry of the Contract Period~~the date that is one (1) year after the Commercial Operation Date, to one or more First Nation Communities on the Ministry Engagement List or Indigenous Holding Vehicles (including any such Economic Interest in the Proponent as may exist as of the Proposal Submission

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	Deadline).
~~IEPP Non-Equity Commitments Percentage~~	~~means the minimum percentage of the **[total capital cost of the TTL Transmission Project]**, as set out in the Proponent's IEPP, that the Proponent has committed to provide in relation to the TTL Transmission Project prior to the expiry of the Contract Period, as benefits, other than equity ownership in the Proponent, to one or more First Nation Communities on the Ministry Engagement List, natural persons who are members of such First Nation Communities, Indigenous Holding Vehicles or businesses Controlled by any of the foregoing.~~
IESO	means the Independent Electricity System Operator.
IESO-Controlled Grid	has the meaning given to it in the TTL Contract.
Independent Engineer	has the meaning given to it in the TTL Contract.
Independent Engineer Certificate	means a certificate in the form set out in Exhibit A of the Prescribed Form: Technical Project Information or as otherwise provided for therein, which among other things, is signed and sealed by an Independent Engineer and contains the required information.
Indigenous Community Participation Experience Letter	means a letter signed on behalf of an Indigenous community (located anywhere in Canada) confirming that an equity or non-equity economic benefit arrangement was established with a Proponent Group Member in relation to a Qualifying Infrastructure Project, substantially in the form set out in Prescribed Form: Evidence of Indigenous Community Participation Experience.
Indigenous Consultation Information Package	has the meaning given to it in the TTL Contract.
Indigenous Engagement and Participation Plan or IEPP	has the meaning given to it in Section 2.1(g)(i)(A).
Indigenous Experience Category	has the meaning given to that term in Section 2.1(e)(ii)(C).
Indigenous Holding Vehicle	means a Person, other than a natural Person, where the Economic Interest in such Person is held, directly or

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	indirectly, solely by one or more First Nation Communities on the Ministry Engagement List.
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 in relation thereto.
~~Liquidated Damages Rate~~	~~has the meaning given to it in the TTL Contract.~~
Local Body Administrator	means in respect of an Indigenous community (located anywhere in Canada), one or more individuals with authority to bind the applicable Indigenous community (located anywhere in Canada).
Mandatory Requirements	has the meaning given to that term in Section 4.2.
Market Rules	means the rules made under section 32 of the *Electricity Act*.
Material Deviation	means a deviation from the Proponent's obligations contained in this TTL RFP that, in the Discretion of the IESO: (i) affects such party's or the IESO's obligations or rights in any material way; (ii) affects the obligations or rights of other Proponents

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	under this TTL RFP; or (iii) results in a failure to satisfy a material component of any requirement set out in this TTL RFP.
Ministerial Directive	has the meaning given to that term in Section 1.2.
Ministry	means the Ontario Ministry of Energy and Mines, or any future replacement thereof.
Ministry Engagement List	~~has the meaning given to that term in Section 2.1(g)(i)(A)(1)~~means **[●]**.
~~Milestone Date for Commercial Operation~~Municipal Engagement Plan	has the meaning given to ~~it in the TTL Contract~~that term in Section 2.1(i)(i).
New Build	means the construction of a Transmission Project that is not an Upgrade or Redevelopment.
Non-Collusion Requirements	means requirements that a Proponent under the TTL RFP: (a) not coordinate its Proposal with any other Proponent; (b) keep and will continue to keep its Proposal confidential until the conclusion of the TTL RFP and selection of the Selected Proposal, if any; (c) ensure that no member of the Proponent has entered into any agreement or arrangement with any member of another Proponent which may affect the Proposal submitted by the Proponent or the other Proponent; 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 *Competition Act* (Canada).
Non-Equity Commitments	means benefits set out in the Proponent's IEPP, other than equity ownership in the Proponent, to one or more First Nation Communities on the Ministry Engagement List, natural persons who are members of such First Nation Communities, Indigenous Holding Vehicles or businesses Controlled by any of the foregoing, which have a direct nexus to the development or construction of the TTL Transmission Project, and which the Proponent has

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	committed to provide in relation to the TTL Transmission Project prior to the date that is one (1) year after the Commercial Operation Date, **[including Capacity Funding and ●]. [NTD: The IESO is considering the types of benefits that should be included in this definition, including whether Capacity Funding should be included. The IESO is proposing that any pre-COD expenditure by the transmitter on a Non-Equity Commitment that is included in an impact benefit agreement be eligible for the transmitter to count towards meeting this commitment.]**
OEB	has the meaning given to that term in Section 1.1(b).
Operated	means prior demonstrable experience in operating, monitoring, maintaining, inspecting and repairing a Transmission Project.
Ordinarily Resident	means "ordinarily resident" as that expression has been judicially interpreted for the purposes of the *Income Tax Act* (Canada).
Organizational Experience	has the meaning given to that term in Section ~~2.1(d)(ii)~~2.1(e)(iii).
Period of Irrevocability	has the meaning given to that term in Section 3.7(e)(i).
Permitted Purposes	has the meaning given to that term in Section 3.5(a).
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.
Pre-Engagement Confirmation Notice	means a written notice by way of e-mail or certified mail delivered to an applicable Local Body Administrator of a First Nation Community on the Ministry Engagement List as described in the Prescribed Form: Indigenous Engagement and Participation Plan which, among other things, indicates that the Proponent intends to submit a Proposal under the TTL RFP, information about the Proponent; a link to the Proponent's Project Website; information respecting the availability of Capacity Funding; and contact information of representatives of the Proponent for the purposes of discussing Indigenous

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	engagement and requesting Capacity Funding.
Prescribed Form	means, in relation to a form, the latest version available on the Website of the corresponding form referred to and incorporated in this TTL RFP, as may be amended or replaced by the IESO from time to time and without notice to the Proponent.
Project Website	means a public webpage specific to the Proponent and the TTL Transmission Project that provides the public with information regarding such Proponent's participation in the TTL RFP and Indigenous engagement initiatives in respect thereof.
Proponent	means the Person that has submitted a Proposal.
Proponent Group Member	means a Control Group Member or a Person that holds at least twenty-five percent (25%) of the Economic Interest in the Proponent.
Proponent Public Contact Details	means the information provided in the Proposal Workbook identifying public contact and identifying information for the Proponent, including a Proponent general email, phone number, address, website link, public relations contacts, and corporate or branding affiliation, if any.
Proposal	has the meaning given to that term in Section 3.7(a).
Proposal Fee	has the meaning given to that term in Section ~~3.7(b)(iii)~~3.7(b)(ii).
Proposal Security	means 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, in substantially the form attached as APPENDIX D of the TTL RFP or in a form acceptable to the IESO, acting reasonably.
Proposal Submission Deadline	has the meaning given to that term in the Schedule.
Proposal Submission Label	has the meaning given to that term in Section 3.7(c)(v).

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Proposal Workbook	means an electronic copy of, in Microsoft excel format, the provided Proposal workbook forming a part of the Prescribed Form: Proponent Information, Declarations and Workbook and containing information regarding the TTL Transmission Project and the Proponent.
Proposed Capital Cost	has the meaning given to it in the TTL Contract.
Qualifying HVDC Transmission Project	means a New Build Transmission Project that: (A) has, or will have, a minimum length of ~~[~~ten (10)~~]~~ kilometres; (B) operates at, or will operate at, a voltage level of at least ~~[~~±200~~]~~ kV DC; and (C) achieved commercial operation no more than twenty (20) years prior to ~~[~~the Proposal Submission Deadline~~]~~ or, if commercial operation has not been achieved as of the Proposal Submission Deadline, is under construction as of the Proposal Submission Deadline and is reasonably expected to achieve commercial operation before ~~[~~January 1, 2030~~]~~. ~~[NTD: The required location of a Qualifying HVDC Transmission Project remains under discussion.]~~
Qualifying Infrastructure Project	means ~~a New Build [energy or linear]~~ the construction of a new greenfield linear infrastructure project, that is not the upgrade, refurbishment or replacement of existing infrastructure, with a minimum length of ten (10) kilometres located within a treaty area or traditional territory that has achieved commercial operation no more than ~~[~~ten (10)~~]~~ years prior to ~~[~~the Proposal Submission Deadline~~]~~.
Qualifying Underwater Transmission Project	means a New Build underwater Transmission Project that: (A) has, or will have, a minimum length of ~~[~~ten (10)~~]~~ kilometres located under a navigable body of water; (B) operates at, or will operate at, a minimum voltage level of ~~[~~200 kV AC or ±200 kV DC~~]~~, as applicable; and (C) achieved commercial operation no more than twenty (20) years prior to ~~[~~the Proposal Submission Deadline~~]~~ or, if commercial operation has not been achieved as of

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	the Proposal Submission Deadline, is under construction as of the Proposal Submission Deadline and is reasonably expected to achieve commercial operation before ~~[~~January 1, 2030~~]~~. ~~[NTD: The required location of a Qualifying Underwater Transmission Project remains under discussion.]~~
Question and Comment Deadline	means the Question and Comment Deadline date as set out in the Schedule.
Rated Criteria Points	means the criteria set out in Section 4.3.
Redevelopment	means the substantial replacement of physical infrastructure constituting an existing Transmission Project.
Registry Rules	means the Transmitter Selection Framework Registry Rules, which can be found on the TSF Website.
Reserve Price	means a confidential price threshold determined by the IESO and documented with the Fairness Advisor prior to the Proposal Submission Deadline.
RFP Effective Date	has the meaning given to that term in the Schedule.
SCDP Summary	has the meaning given to that term in Section 2.1(h)(ii).
Schedule	has the meaning given to that term in Section 3.1(a).
Selected Proponent	has the meaning given to that term in Section 4.5.
Selected Proposal	has the meaning given to that term in Section 4.5.
~~Specifications~~	~~means [●]. [NTD: The IESO will provide a document setting out the technical specifications of the TTL Transmission Project. Among other requirements, the IESO may prescribe a minimum depth of drilling below the lakebed.]~~
Supply Chain Disclosure Plan	has the meaning given to it in Section 2.1(h)(i).
System Impact Assessment	means an assessment conducted by the System Operator to determine the impact on the IESO-Controlled Grid of connecting the TTL Transmission Project to the IESO-Controlled Grid pursuant to the Market Rules.

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System Operator	means the Independent Electricity System Operator of Ontario established under Part II of the Electricity Act, and its successors, acting pursuant to its authority to make, administer and enforce the Market Rules.
Team Member Experience	has the meaning given to that term in Section 2.1(e)(iv).
Toronto IRRP	has the meaning given to it in Section 1.2(a).
Total Capital Cost	has the meaning given to it in the TTL Contract.
Total Project Supply Chain Costs	means the capital costs for goods (including Construction Materials) and services (including Construction Labour) reasonably expected to be used for the purposes of developing the TTL Transmission Project up to commercial operation.
Transmission Project	means a transmission system as such term is defined in the Electricity Act.
Transmission System Code	means the "Transmission System Code" approved by the OEB and in effect from time to time.
Transmitter	has the meaning given to it in the TTL Contract.
TSF Registrant	means an entity that, as of the RFP Effective Date, has successfully registered for the ~~Transmission~~Transmitter Selection Framework Registry pursuant to the Registry Rules found on the TSF Website, and whose registration status has not been terminated.
TSF Website	means that section of the IESO's website referenced as "Transmitter Selection Framework" that is dedicated to the Transmitter Selection Framework initiative and is at Introduction to the IESO's Transmitter Selection Framework.
TTL Contract	has the meaning given to that term in Section 1.2.
TTL Contract Receipt Date	has the meaning given to that term in Section ~~3.8(a)(ii)~~3.8(a)(iii).
TTL RFP	has the meaning given to that term in Section 1.2.

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TTL Transmission Project	has the meaning given to that term in Section ~~1.2(d)~~1.2(c).
Ultimate Controlling Parent	means, in respect of any reference Person other than a natural person, a Person that Controls such reference Person and that is not itself Controlled by any other Person.
Underwater Experience Category	has the meaning given to that term in Section 2.1(e)(ii)(B).
Unique Proposal ID	means the unique project reference number assigned to the TTL Transmission Project by the IESO pursuant to the participation confirmation process set out in Section 3.4.
Upgrade	means the refurbishment, replacement or addition of equipment or technology in respect of an existing Transmission Project.
Website	means that section of the IESO's website referenced as "Toronto Third Line RFP" that is dedicated to the TTL RFP process and is at **[insert link]**.
Workspaces	means a file management platform that Proponents will use to electronically submit Proposals, forms, and other documents required under this TTL RFP.

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APPENDIX B – TTL CONTRACT

The TTL Contract available on the Website is incorporated in this APPENDIX B by reference.

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APPENDIX C – PROPOSAL SUBMISSION LABEL

RFP No.: TTL RFP

Full Legal Name and Address of the Proponent

NAME:

UNIQUE PROPOSAL ID:

ADDRESS:

CONTACT:

PHONE NO.:

E-MAIL:

Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1
Attention: TTL RFP

The Postal Code is to aid in identifying the building only. The onus remains solely with interested parties to instruct courier/ delivery personnel to deliver the Proposal documents to the exact floor location specified above by the Proposal Submission Deadline. Proponents assume sole responsibility for late deliveries if these instructions are not strictly adhered to.

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APPENDIX D – PROPOSAL SECURITY FORM OF IRREVOCABLE AND UNCONDITIONAL STANDBY LETTER OF CREDIT

DATE OF ISSUE:	[●]
APPLICANT:	[●]
BENEFICIARY:	Independent Electricity System Operator and its permitted assigns (the "**Beneficiary**") 120 Adelaide Street West, Suite 1600 Toronto, ON M5H 1T1
AMOUNT:	[●]
EXPIRY DATE:	[●]
EXPIRY PLACE:	Counters of the issuing financial institution in Toronto, Ontario
CREDIT RATING:	**[Insert credit rating only if the issuer is not a financial institution listed in either Schedule I or II of the *Bank Act*]**
TYPE:	Irrevocable and Unconditional Standby Letter of Credit Number: [●] (the "**Credit**")

(Note: Replace all bold terms and [●] symbols as appropriate.)

The Credit is issued in connection with the Beneficiary's Request for Proposals dated **[<insert RFP Effective Date>],** as amended, to select a qualified transmitter to develop, construct and operate the Toronto third line project (the "**TTL RFP**") and the Proposal dated [●] for the TTL Transmission Project bearing Unique Proposal ID [●] submitted by the Applicant in response thereto (the "Proposal").

Additionally, if the Proposal is selected under the TTL RFP, the Credit may serve as the "**Completion and Performance Security**" (as such term is defined in the TTL RFP) in respect of the "TTL Contract" (as such term is defined in the TTL RFP) as amended from time to time, between the Beneficiary and the "Transmitter", as such term is defined under the TTL Contract.

We hereby authorize the Beneficiary to draw on [Issuing Bank Name/Address], in respect of the Credit, for the account of the Applicant, up to an aggregate amount of $● (● Canadian Dollars) available by the Beneficiary's draft at sight accompanied by the Beneficiary's signed certificate containing either of the following statements:

(i) "The Proponent, whose Proposal has been selected and accepted by the Beneficiary**, [has made a material misrepresentation in the Proposal] or [has failed, within twenty (20) Business Days of the date on which the Proponent was given the TTL Contract**

to sign, to execute and deliver the TTL Contract or to deliver a new Completion and Performance Security to the Beneficiary or otherwise confirm that the Proposal Security be converted into and held by the Beneficiary as the Completion and Performance Security] and therefore the Beneficiary is entitled to draw upon the Credit in the amount of the draft attached hereto.";

or

(ii) "The Transmitter is in breach of, or default under, the TTL Contract, and therefore the Beneficiary is entitled to draw upon the Credit in the amount of the draft attached hereto."

Drafts drawn hereunder must bear the clause "Drawn under irrevocable and unconditional Standby Letter of Credit No. [●] issued by [Issuing Bank Name] dated [Issue Date]."

Partial drawings are permitted.

This Letter of Credit will automatically extend for additional, successive terms of one year each (each an "**Additional Term**"), unless the undersigned provides the Beneficiary with written notice, at least 60 days prior to the expiration date of the then current term, that it does not wish to extend this Letter of Credit for an Additional Term.

We engage with you that all drafts drawn under and in compliance with the terms of the Credit will be duly honoured, if presented at the counters of **[Issuing Bank Name/Address]** at or before **[Expiry Time]** (EST) on or before **[Expiry Date]**, as extended.

The Credit is subject to the International Standby Practices ISP 98, International Chamber of Commerce Publication No. 590, and as to matters not addressed by ISP 98, shall be governed by the laws of the Province of Ontario and applicable Canadian federal law, and the parties hereby irrevocably agree to attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

This Credit is transferable at the written request of the Beneficiary, without the consent of the Applicant, but subject to consent of the issuing financial institution, acting reasonably. All fees incurred by the issuing financial institution in relation to such transfer shall be at the Applicant's expense, but failure of the Applicant to pay such fees shall not restrict the ability of the Beneficiary to transfer the Credit.

In the event of a transfer of this Credit as provided for above, the above name of the Beneficiary will be amended to another entity by way of an amendment hereto, without the consent of the Applicant, and upon receipt by [Issuing Bank Name] of the Beneficiary's dated and signed letter addressed to [Issuing Bank Name] and completed as follows:

"We, the undersigned Beneficiary to **[Issuing Bank Name]** Letter of Credit No. [●], hereby waive all our rights under the Letter of Credit and request that the current name and address of the Beneficiary thereunder be amended to read **[insert name and address**

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of new Beneficiary]. We have enclosed the original Letter of Credit and all amendments (if any) thereto. Please forward the original Letter of Credit and all amendments (if any), including the current amendment to the **[new Beneficiary]**, care of the Applicant."

[Issuing Bank Name]

By: _____

By: _____

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