

# E-LT1 RFP Question and Comment Period – Batch 1 (Amended January 24, 2023)

## Questions and Comments

The following document summarizes IESO responses to the first batch of questions and comments submitted to the IESO in respect of the final E-LT1 RFP documents posted on December 6, 2022, that were submitted pursuant to Section 3.2(a) of the Expedited Process of the Long Term 1 Request for Proposals (E-LT1 RFP) prior to the Question and Comment Deadline.

### Disclaimer

This document and the information contained herein are provided for information purposes only. The IESO has prepared this document based on information currently available to the IESO and reasonable assumptions associated therewith. The IESO provides no guarantee, representation, or warranty, express or implied, with respect to any statement or information contained herein and disclaims any liability in connection therewith. The IESO undertakes no obligation to revise or update any information contained in this document as a result of new information, future events or otherwise. In the event there is any conflict or inconsistency between this document and the IESO market rules, any IESO contract, any legislation or regulation, or the request for proposals or other procurement document, the terms in the market rules, or the subject contract, legislation, regulation, or procurement document, as applicable, govern.

## E-LT1 RFP

Question Comment	IESO Response
<p>1. [Name Redacted] has several questions with respect to the ability to get certainty around facilities contracted under existing contracts and same-technology expansions that may rely on common infrastructure and staff.</p> <ul style="list-style-type: none"> <li>• Will the IESO consider extending existing contracts for assets that are co-located and share staff and infrastructure with a same-technology expansion project?</li> <li>• Will the IESO accept proposals where the proposal is contingent on an extension of an existing contract?</li> <li>• What provisions or mechanisms are proposed to provide for the fact that a same-technology expansion projects costs may change materially if the associated existing facility is not granted an extension of its contract?</li> </ul>	<p>The E-LT1 RFP is intended to acquire capacity services to meet system reliability needs from New Build and Eligible Expansion Electricity resources. This procurement is not contingent on existing infrastructure and it is out of the procurement's scope to contemplate contract extensions to contracts for existing resources, where there is a proposed co-located Facility. The IESO would direct you to the definitions of New Build and Eligible Expansion Facilities in the E-LT1 RFP.</p> <p>Details pertaining to the IESO's Same-Technology Upgrade Solicitation, including responses to frequently asked questions, may be found under the Same Technology Upgrades Solicitation Documents section on the IESO's Long-Term RFP and Expedited Process web page. Submissions in response to the Same-Technology Upgrade Solicitation were due on December 20, 2022.</p>
<p>2. Assuming deliverability results of "Deliverable" or "Deliverable but Competing" and assuming the Proposer does not exceed the 10 Proposal maximum or the Maximum Contract Capacity (600MW), can the IESO confirm that each of the 3 Unique Project IDs on the Deliverability Test Results could be the basis of separate Proposals? For greater clarity, the Proposer is intending to build and meter separate unique projects at the same location, but connecting to two distinct connection points (i.e. different circuits)</p>	<p>No. The configuration variation number was added on to the end of the Unique Project ID in order to easily communicate Deliverability Test results for each option. A single configuration option must be selected by the Proponent – for greater clarity, Proponents may not submit multiple Proposals with the same project number (the two-digit number following RFQ number in the Unique Project ID).</p>
<p>3. Shouldn't the 1.2x Early COD Payment Multiplier extend to May 30, 2026, i.e., a day before MCOD of May 31, 2026 and not end at April 30, 2026?</p>	<p>The IESO identified a discrepancy between the COD Bonus End Date in the body of the E-LT1 Contract and in the definitions of the E-LT1 Contract. This was updated in an Addendum to the E-LT1 Contract, dated December 23, 2022 (Addendum no. 1), to correctly identify April 30, 2026, as the COD Bonus End Date.</p>

<p>4. Can the IESO please indicate and confirm the following:</p> <p>a. Which charge types per the "IESO Charge Types and Equations" document posted on the IESO website are applicable to battery energy storage systems in the E-LT1 procurement</p> <p>b. What other IESO charges, if not included in the "IESO Charge Types and Equations" document, are applicable to battery energy storage systems in the E-LT1 procurement</p> <p>c. Which charges, as identified in a. and b. above, constitute Regulatory Energy Charges as defined in the Expedited Long-Term Reliability Services (E-LT1) Contract as posted on the IESO website.</p>	<p>Please refer to question 4.6 of the FAQ document.</p>
<p>5. I'm not sure if these quick questions fall under the scope of the RFP embargo rules, as the file seems to be separate and originating from an OEB decision and not the RFP consultation. But I'm sending them to both LT.RFP and our commercial rep [name redacted] all the same. In any case, can you please confirm:</p> <ul style="list-style-type: none"> <li>• Would this fee apply to storage facilities intended for the RFP? I looked through Section 6 of the manual, and as storage facilities sit between load and generator, I'd like confirmation please. In the same vein, are co-located projects considered "modified facility?"</li> <li>• Would this fee be assessed as part of the SIA and market registration process?</li> <li>• Is there no cap/guidance on the fee's possible range, as it'd be calculated on a project by project basis? Exhibit I-1-1 indicates that fee data will be made available, but I understand that this will be post-implementation?</li> </ul> <p>Thank you,</p>	<p>The Reliable Integration Fee is charged for work the IESO undertakes to reliably integrate new or modified facilities that participate in the IESO-Administered Markets, which includes all facilities that are connected to the transmission system and facilities that are connected to the distribution system that participate in the IESO-Administered Markets. The Reliable Integration Fee applies to any Facility that meets the definition above, regardless of their participation in IESO procurement processes, including the E-LT1 RFP.</p> <p>Proponents can find additional information on the Reliable Integration Fee on the IESO website under Market Manual 1.5.</p>

<p>6. [Name Redacted] is looking to clarify some of the deliverability assessment discussion points after the last stakeholder meeting on December 05th.</p> <p>Are proponents able to submit a project for volume that is lower than what was approved during the IESO's RFQ process? The IESO stated that participants can submit projects for volumes lower than their approved deliverability assessment results, so does this also hold true for the IESO qualified Long Term Reliability project volumes, or do participants need to perfectly match the project volumes that were qualified during the RFQ process?</p> <p>Given that some Qualified Applicants will be working in conjunction with uprates at some of the facilities that were submitted as Long-Term Reliability Projects having this clarified would be appreciated.</p>	<p>Proponents are permitted to submit a Contract Capacity into the E-LT1 RFP that is consistent with, but less than or equal to the MW value reflected in the Deliverability Test results for that project.</p> <p>Please also refer to question 4.3 of the FAQ document.</p>
<p>7. Does the IESO object if two or more Proponents engage in discussions in an attempt to resolve a situation whereby there may be multiple connection options for their respective projects, to avoid competing for capacity on lines, but rather come to an agreement on which lines each party may focus on. It would seem that this would allow for a better selection of projects for the IESO to choose from and remove the need for developers to create multiple project options/sizes, simply because it is unknown which line or connection a nearby competing project may or may not choose. This would also help de-risk the project for the developer. If this option was available to everyone, it should not impact fairness. Such discussions would clearly also be at their own risk. Given there does not appear to be a restriction on qualified applicants/proponents engaging in discussions in "Excluded Purposes" of 3.4 Communications, it would appear to be</p>	<p>The IESO would advise you to liaise with your legal counsel on the communications for Excluded Purposes and the Non-Collusion Requirements set out in Section 3.4(c) of the E-LT1 RFP. However, discussions among developers with respect to connection options and configurations would generally be considered to be for purposes of project planning and development, as contemplated in the definition of "Permitted Purposes" in section 3.4 of the E-LT1 RFP. Parties are also reminded that the connection point information for a Long-Term Reliability Project that is the subject of a Proposal must be consistent with that which is reflected in the results of the Deliverability Test for such project pursuant to Section 2.1(e)(iii) of the E-LT1 RFP.</p>

<p>permitted, but for the avoidance of doubt, [Name Redacted] would request confirmation of the above from the IESO.</p>	
<p>8. In the RFP file, Section 3.6 (c) (iv): The Proposal Fee transfer or wire must include a deposit reference identifier in the form of the Unique Project ID. And on Dec 05, 2022 IESO webinar, slide 28, requires an identifier in the form of E-LT1-Unique Project ID-Year. Could the IESO clarify if proponents can use other forms of Identifier as long as include the Unique Project ID as required in the RFP document? Also, the Unique Project ID includes dashes, but the bank we use (Scotiabank), can only add a message without dashes &amp; special characters (25 digits maximum). Would IESO accept our payment without the dash in the Unique Project ID? e.g. LT1RFQ 046 01 1 2023</p>	<p>The IESO will accept Proposal Fee payments that contain Unique Project IDs with or without dashes.</p>
<p>9. Could you please confirm if its possible for proposals under the E-LT1 RFP procurement to be contracted until 2040 or 2047 without a municipal council support resolution? A yes or no answer will suffice.</p>	<p>The IESO issued an Addendum to the E-LT1 RFP and Contract, dated December 23, 2022 (Addendum no. 1), that removed the option of meeting the requirements of the Contract by submitting, instead of a Municipal Support Confirmation, a "letter addressed to the Buyer signed by a Land Use Planner or an Independent Engineer confirming that all permits and approvals that are required to be issued by or on behalf of a Local Municipality for the construction, operation and maintenance of the Facility have been received or issued."</p> <p>This change was made to reflect the Minister of Energy's letter to the IESO, dated December 23, 2022, which specifically requested that the IESO implement this change.</p>
<p>10. Could a failure to receive consent from a municipality under s.53 of the Planning Act to enter a long-term site lease constitute a Force Majeure event under Article 11.3(i) of the IESO E-LT1 Contract?</p>	<p>Inability to obtain required Planning Act approvals or other land-use permits may be circumstances under which Section 11.3(i) of the E-LT1 Contract would be applicable.</p>
<p>11. [Name Redacted] is hoping you could provide some guidance on transmission availability when a New Build project is</p>	<p>The IESO advises you to seek advice from your technical consultants on transmission availability</p>

<p>connecting at the same point as a gas-fired cooling upgrade (via the Same Technology Upgrade process). A cooling upgrade is somewhat unique as its capacity is positively correlated with ambient temperature allowing it to utilize transmission efficiently when combined with an existing facility.</p>	<p>where the potential Project is proposed to be connected.</p>
<p>12. Are there any requirements or prerequisites about the land that a facility could be built on? For example - size, what kind of land (can and cannot be used) etc.</p> <p>We are trying to understand what the requirements are for the LT1 RFQ (land size), but cannot find it on the website.</p>	<p>There is no prescribed minimum or maximum size for a Project Site set out in the E-LT1 RFP. The IESO would draw your attention to the definitions of Indigenous Lands, Municipal Lands, Project Site and Property in the E-LT1 RFP, but Proponents should note that there may be specific permitting, land-use and environmental approval requirements that may further describe land-use requirements for specific projects, depending on the location of the Project Site.</p>
<p>13. On the 'Notification of Status under the LT1-RFQ – Qualified Applicant' letter we received dated August 22, 2022, it states under Eligibility to submit proposals under the LT1 RFP that the Required Proposal Security is 1.5 times the Base Proposal Security. This is understood. We are applying under the E-LT1 RFP as an Eligible Expansion Counterparty and would like to confirm that our Required Proposal Security for this E-LT1 proposal is simply 1x the Base Proposal Security. Please confirm.</p>	<p>The IESO advises you to review the Proposal Security provisions outlined in Section 2.2(j) of the E-LT1 RFP.</p>
<p>14. On the Prescribed Form – Proponent Information, Declarations and Workbook released December 6, 2022, on page 4 in the field for Print Title we are not able to input a title and an error appears stating 'The input value can't be parsed as a valid date/time (mm/dd/yyyy)'. In short the form is asking you to input a date into this field, which we do not believe is correct.</p>	<p>The Prescribed Form was amended on December 22, 2022, to address this error.</p>
<p>15. If the Proponent sent Notices to more recipients than required by the RFP, should these Notices be included in the PF and if so, where should they be appended? Ex. The Project is not located, in whole or in part, on</p>	<p>Proponents are only required to include notices sent to recipients as outlined in Section 2.1 of the E-LT1 RFP and Section 2 of the Prescribed Form: Community Engagement.</p>

<p>Indigenous Lands, however the Proponent sent the Notice to Indigenous Communities within 25km of the Project or where the Proponent sent additional Notices to neighbouring properties that are not adjacent to the Project.</p>	
<p>16. As per the Workbook (excel), Proponent Information tab, Proponent Payment Account Information (info for s5.5 of the E-LT1 Contract), can the IESO confirm that the payment account information can be updated post-contract award and prior to contract execution?</p>	<p>The Proponent Payment Account Information can be updated post-contract award.</p>
<p>17. As per the Workbook (excel), Project Information tab, Connection Information, can IESO please clarify what content they are expecting for row 44 "Connection Point and Circuit Designation" and row 45 "Electrical Interconnection (including description of work required to connect Facility)"?</p>	<p>The definition of Connection Point can be found in Appendix A - Glossary of Terms of the E-LT1 RFP.</p> <p>The IESO reminds Proponents that the Connection Point information in respect of the Long-Term Reliability Project must be consistent with that which is reflected in the results of the Deliverability Test.</p>
<p>18. As per the Workbook (excel), Project Information tab, Description of the Facility, can IESO please confirm that the information provided in row 52 is non-binding and may change post-contract award?</p>	<p>The IESO notes that Proponents represent, in entering into the E-LT1 Contract, that statements regarding the Facility contained in the Proposal are true and correct in all material respects, except where consented to by the IESO in a Facility Amendment (Section 7.1(m) of the E-LT1 Contract). Additionally, the information included in this section of the Workbook is intended to populate Exhibit A to the E-LT1 Contract and will serve as the basis for determining compliance with Section 2.1(b) of the E-LT1 Contract.</p> <p>As stated in the Section 2.1(b) of the E-LT1 Contract, "Subject to Section 4.3, the Supplier shall at no time after the Contract Date modify, vary, or amend in any material respect any of the features or specifications of the Facility outlined in Exhibit A, including, for greater certainty any material change to the Duration Capability, (the "Facility Amendment") without first notifying the Buyer in writing and obtaining</p>

	the Buyer’s consent in writing.” However, Section 2.1(b) of the E-LT1 Contract does allow for replacement of battery cells of an Electricity Storage Facility on a like-for-like or substantially similar basis.
19. As per PF: Community Engagement Requirements section 2, can the IESO confirm that the location input requirement would be met for a public community meeting that was held virtually by inputting for location "Virtual"? What other content, if any, would the IESO like to see here?	Yes, Proponents should input “Virtual” for the location of public community meetings held virtually.
20. As per PF: Notice of Change section 2, second row of the table, should there be additional content under the checkbox response? Examples of the types of documents/information provided in Exhibit A?	Yes, there was a formatting error in the posted version of this Prescribed Form on December 6, 2022 and this Prescribed Form was amended on December 21, 2022.
21. A quick question of behalf of our members in Northern Ontario who live in unorganized townships: what constitutes "municipal support" for the Long Term-RFP process for proposals for new capacity?	If the Project Site for a proposed project is not located in whole or in part on lands subject to the authority of one or more Local Municipalities, the municipal support-related provisions of the E-LT1 RFP and the E-LT1 Contract do not apply.
22. I am wondering if it is acceptable to have a URL for multiple projects, if they are in the same municipality and share the same public meeting? Please see link for example: [Link Redacted]  Information about each project, including site plans, addresses, project names, etc. is distinctively shared, and attendees of the project were able to comment on both individually.	Projects proposed by the same Qualified Applicant in the same municipality, sharing the same public meeting must be displayed on separate webpages, even if they are sharing certain other elements of the same website.
23. If a proponent submitted and was deemed “deliverable” or “deliverable but competing” on a scenario that contemplates a primary circuit, and one or more additional circuits, is the obligation to connect to the primary and all additional circuits, or is the obligation to	Yes, the Proponent would be obligated to connect to ALL circuits listed (primary and one or more additional), as the Deliverability Test results are contingent on this assumption.



<p>connect to the primary circuit, with one or more additional circuits being optional?</p>	
<p>24. Regarding the HYDRO ONE TRANSMISSION GENERATION INTERCONNECTION REQUIREMENTS published 2022 December 8. Please comment on the setback guidelines in Section 4.5: specifically, please address whether proponents can modify their Deliverable and/or Deliverable but Competing projects' characteristics in order to respect Hydro One's setback guidelines. If yes, please specify what project characteristics (e.g., GPS coordinates, interconnection point, project size etc...) can proponents modify.</p>	<p>The IESO is aware of the considerations put forth by Hydro One for location restrictions for Electricity Storage resources. The IESO is unable to provide further comment on external agencies as this is outside of our jurisdiction. The IESO will be allowing limited adjustment to Project Site locations relative to the locations specified in the Deliverability Test, which will be implemented by a future Addendum to the E-LT1 RFP.</p>
<p>25. Please confirm when the IESO would announce guidelines regarding whether and how the relevant Federal ITCs should be included in the offer price.</p>	<p>The IESO will not be instructing Proponents on whether or not to include outside funding/tax credits in their pricing assumptions inherent in their Proposals. The IESO will continue to monitor the developments of the ITC in advance of the deadline for Addenda and Proposal Submission.</p>
<p>26. Please confirm: if a facility reaches COD on May 1, 2025, does it achieve a 1.5x bonus multiplier until April 30, 2026, or until August 31, 2025?</p>	<p>A Facility that reaches COD by August 31, 2025 will receive a 1.5x bonus multiplier up until the COD Bonus End Date, being April 30, 2026. A Facility that reaches COD between September 1, 2025 and December 31, 2025 will receive a 1.4x bonus multiplier from the COD up until the COD Bonus End Date. A Facility that reaches COD between January 1, 2026 and April 30, 2026 will receive a 1.2x bonus multiplier from the COD up until the COD Bonus End Date.</p>
<p>27. Please confirm whether the IESO could peg the lithium index to RMB instead of USD, as most BESS Integrators are also pegged to RMB. To be clear, pegging the MCIA to USD alone adds additional Forex risks between Bid Date and MCIA Effective Date.</p>	<p>The lithium component of the MCIA consists of the lithium carbonate (99.5% battery grade) price, reported in US dollars per the Shanghai Metals Market Online Index.</p>
<p>28. Please confirm how IESO will award the next marginal project, if said project would push the total RFP clearing volume beyond the 900 MW RFP size threshold (for non-gas). For example, if the IESO has already</p>	<p>The IESO's target Capacity for the E-LT1 RFP is 1500 MW. This consists of a Non-Storage Target Capacity of 600 MW and a Storage Target Capacity of 900 MW.</p>

<p>awarded 800 MW worth of projects, and the next ranking project is 150 MW or 300 MW in size, will the projects clear? How would the IESO make this determination? Has the IESO established a maximum clearing size for the Exp-RFP (i.e., stretch goal)?</p>	<p>The IESO reserves the right to accept Proposals that exceed the Total Target Capacity, Storage Target Capacity or Non-Storage Target Capacity, as applicable.</p>
<p>29. Continuing from the previous question regarding RFP threshold: Please confirm if the IESO will allow proponents to bid a single price for the same project, but for a range of different volumes. This flexibility would help proponents successfully clear the Exp-RFP threshold, and ensure that the RFP receives as many offers and project configurations as possible.</p>	<p>The IESO will not permit multiple price/quantity laminations for any individual Proposal. Each individual Proposal must be specific to a unique Long-Term Reliability Project that, if selected, would be the subject of an E-LT1 Contract based on the Proposal Price submission.</p>
<p>30. Assuming a proponent has a successful deliverability test for a 250 MW facility, could they submit proposals for separate facilities of 50 MW, 75 MW, and 125 MW (with the same connection point in the deliverability test and separate metering for each project)?</p>	<p>Please see the response to question 2 of this document.</p>
<p>31. In the interest of having capacity online as soon as possible, it would be helpful if IESO could provide a way for proponents to partially in-service a facility. For instance, assuming a proponent was installing a 200 MW battery energy storage facility, could the proponent declare a 50% in-service once the first 100 MW was available and a second 100% in-service once the remaining 100 MW was available?</p>	<p>The E-LT1 RFP will not allow for a partial in-service of a Facility. The Expedited Process is intended for Proponents with projects that are in an advanced stage of development and that can confidently meet the requirements for COD set out in Section 2.5 of E-LT1 Contract.</p>
<p>32. The proposed Federal ITC is not sufficiently defined to provide proponents with certainty on which specific types of expenditures will be eligible and how the credit will be received. In addition, the ITC makes reference to stationary energy storage being required to not use fossil fuels in operation and it is not clear if this requirement extends to the source of electricity used to charge the facility. If this was the case, it could be very difficult for energy storage facilities to</p>	<p>Please see the response to question 25 of this document.</p>

<p>fulfill the IESO contract intent while being onside with the ITC intent. In order to create certainty for proponents, it is recommended that IESO add a new contract section requiring proponents to make commercially reasonable efforts to qualify for the ITC and then return the full value of the ITC back to IESO. For instance, proponents could be required to immediately notify IESO once the ITC has been received, and IESO could then calculate a monthly amount to be deducted from the capacity payment over the term of the contract, the NPV of such amount to be equal to the upfront ITC payment. This would provide IESO with the full lifecycle cost reduction of the ITC, while providing proponents with additional certainty, likely leading to more competitive offer prices.</p>	
<p>33. Hydro One updated their Transmission Generation Interconnection Requirements on December 8 to include very significant setback requirements for battery energy storage facilities. This new requirement has not been well communicated and may impact proposed battery energy storage facilities. It is recommended that IESO flag this new requirement to proponents and include a section in the Proposal Workbook to confirm that the proposed project meets the new setback requirements.</p>	<p>Please see the response to question 24 of this document.</p>
<p>34. 2.3 (b) of E-LT1 Contract / 2.2 (e) of E-LT1 RFP With respect to Early COD Payment Multiplier, if the proponent reaches commercial operations on or before May 1 2025 until August 31, 2025, does the 1.5 multiplier hold until the COD bonus end date of May 1, 2026? Or does it drop after August 31, 2025 and fall into the September 1, 2025 – December 31,2025 multiplier of 1.4, and accordingly stepping down to 1.2 at January 1, 2026?</p>	<p>Please see the response to question 26 of this document.</p>

<p>35. Given the contraction between IESO and The Transmission Provider, can IESO please confirm IESO's response to Question 4.4 from the December 16 FAQ? (i.e. Will the IESO be accepting SIA/CIA applications as early as January 2023?)</p>	<p>Please refer to question 4.5 of the FAQ document.</p>
<p>36. If the proponent does not submit for SIA application, will the IESO be accepting applications for pre-SIA/CIA work? And what outputs would pre-SIA/CIA work provide?</p>	<p>The IESO does not perform SIA work without a complete SIA/CIA application and SIA agreement. There is an option to perform a Technical Feasibility Study (TFS) ahead of the SIA for which more information can be found here: <a href="https://ieso.ca/technical-feasibility-study">Technical Feasibility Study (ieso.ca)</a>. The IESO offers a pre-SIA meeting with potential connection applicants to introduce the connection assessments process.</p> <p>For further information regarding Connection Impact Assessment requirements for projects intending to connect to a Distribution System, please contact the applicable LDC.</p> <p>Please also refer to questions 4.4 and 4.5 of the FAQ document.</p>
<p>37. For proponents that have a completed CIA and SIA or are considering applying for a new CIA / SIA prior to RFP award, will the CIA/SIA require restudy to account for the system changes following RFP awards? If a restudy is required post award, will the existing queue positions be studied in conjunction with the new queue positions as a cluster/batch study process or will existing queue positions be given study priority over new queue positions?</p>	<p>If a project for which SIA studies have been performed does not become committed before the conclusion of the E-LT1 RFP and the establishment of Selected Proponents, a re-study will be required upon the conclusion of the procurement, as the projects that are successful in the E-LT1 RFP may impact the initial study findings or requirements.</p> <p>For conditions that would deem a project to be "committed", please refer to Section 3.3 of Market Manual 1.4.</p> <p>The IESO does not have any queues for managing the projects in the connection assessments process. Timelines for a re-study are determined with SIA/CIA applicants on a case-by-case basis. The IESO will decide the appropriate method and types of studies required given the volume and connection points of the projects to be considered.</p>

	Please also refer to questions 4.4 and 4.5 of the FAQ document.
38. Has CIB provided the updated term sheet yet? If so, where is it located on the IESO website? If not, has CIB indicated to IESO when it is expected to be provided to proponents?	Further information on the role of CIB will be released to Proponents shortly.
39. It is unclear how to determine the Nameplate Capacity for an Electricity Storage Facility (workbook item #35 in the Project Information Tab). As an illustration, assume there is a system designed as follows:  <ul style="list-style-type: none"> <li>• 15 x 2.8MWh batteries (total 42 MWh)</li> <li>• Discharge time 4hrs (and so total capacity to deliver stored energy is 10.5 MW)</li> <li>• 3 x 4.2MW inverters (total 12.6 MW)</li> <li>• 1 x 8MW HV transformer to connect to the POC. A power plant controller at the POC keeps the maximum power injected into the grid at 8MW.</li> <li>• Assume no parasitic or station service loads</li> </ul> Assume that it was declared in the deliverability test that the system would produce 8MW, and it was considered deliverable (or deliverable but competing) at that level.  What would be the Nameplate Capacity of this system?	Please refer to the definition of Nameplate Capacity in the E-LT1 Contract, which states:  "Nameplate Capacity" means the rated, continuous load-carrying capability net of parasitic or Station Service Loads, expressed in MW in Exhibit B, of the Facility to generate or store (as applicable) and Deliver Electricity at a given time, and which includes the Contract Capacity".  For further interpretation on what constitutes the Nameplate Capacity for your particular resource, please liaise with your technical consultant.
40. There is no definition or no guidance as to what should be included for the following items identified in the Project Information Tab of the workbook: <ul style="list-style-type: none"> <li>• Item 50 (Facility Overview)</li> <li>• Item 51 (Site Description)</li> <li>• Item 52 (Facility Design and Major Equipment, Nameplate MVA Rating)</li> </ul>	These fields are for descriptions of the Facility, the Project Site and major equipment being used in the Facility, which will populate the fields in Exhibit A to the E-LT1 Contract. Proponents should provide a reasonable level of detail in each of these fields. The IESO may seek further clarification on these items if required for purposes of executing the E-LT1 Contract for Selected Proponents.

<p>41. Regarding providing parcel registers for our projects' access rights declaration forms, do you have any requirement for how up-to-date the document needs to be. Our parcel registers currently on file are dated October 11, 2022 (example attached). Will we need to collect and submit new versions dated closer to the Feb 16th submission deadline?</p>	<p>Part 2 of the Prescribed Form – Access Rights Declaration requires that the parcel register(s) be dated no earlier than October 1, 2022.</p>
<p>42. Would the IESO permit us to expand the project location to include a neighbouring PIN to provide greater flexibility on siting (without changing interconnection details)?</p>	<p>Yes, the IESO would permit the Project Site information to encompass a neighbouring PIN, as long as the Contract Capacity is no greater than that utilized in the Deliverability Test and that the Connection Point remains the same as that utilized in the Deliverability Test.</p>
<p>43. Would it be possible to send us/publish a word version of the Appendix D – Letter of Credit?</p>	<p>Unfortunately, the IESO cannot provide the template Letter of Credit in word format. However, the pdf document should enable copying of the language for use in an other format for applicable financial institutions. This approach is consistent with IESO's past practice as it relates to required forms of letters of credit and has been successfully used by most financial institutions without issue in recent IESO procurement processes.</p>
<p>44. I'd like to request clarification regarding the acceptance of Municipal Support Confirmation Letters as evidence of Municipal Support for the E-LT1 RFP.</p> <p>The IESO issued a number of draft versions of documents regarding its E-LT1 RFP procurement process, which included the RFP, Contract, and prescribed forms.</p> <p>In November 2022, the City of Windsor relied on the most current information available for the Prescribed Form – Evidence of Municipal Support to draft a Council Report for consideration requesting that Municipal Support Confirmation Letters be issued for Battery Storage Projects by the</p>	<p>The IESO reminds Proponents that evidence of Municipal Support is not a requirement for Proposal submission, but can be used by Proponents in order to attain Rated Criteria points. Rated Criteria points may be obtained by submitting either a Municipal Support Resolution, a Municipal Support Confirmation Letter (a letter signed by a Chief Administrative Officer, or equivalent), or a Blanket Municipal Support Resolution (refer to definition of Municipal Support Confirmation).</p> <p>As part of the E-LT1 Contract, Proponents have no later than sixty (60) days after the eighteen (18) month anniversary of the Contract Date to provide evidence of Municipal Support.</p> <p>On December 23, 2022, the IESO issued Addendum no. 1 to the E-LT1 RFP and Contract,</p>

<p>CAO. As a result we received the following decision: [Details Redacted]</p> <p>In the E-LT1 – Prescribed Form – Evidence of Municipal Support released on December 6, 2022, on page ii under Guidance for Municipalities the third paragraph states:</p> <p>Should a Local Municipality wish to support a particular Long-Term Reliability Project, a group of Long-Term Reliability Projects, or one or more particular technology types, they must either pass a Municipal Support Resolution (project-specific) or a Blanket Municipal Support Resolution, or formally delegate the issuance of a Municipal Support Confirmation Letter (project-specific) to the Chief Administrative Officer, or equivalent.</p> <p>Noticing that there was no change to the requirements for Municipal Support Confirmation Letters, on December 20,2022, Administration started circulating the first request for a Municipal Support Confirmation Letter, to be signed by the Chief Administrative Officer. On December 23, 2022, the IESO released Addendum NO. 1 where there is no mention of Municipal Support Confirmation Letters. Items 1 and 2 only refer to Municipal Support Resolution or Blanket Municipal Support Resolution. As of January 9, 2023, we are ready to sign the first Municipal Support Confirmation Letter. Please find attached a sample of the letter with proponent information removed.</p> <p>I'd like to request clarification: Do Municipal Support Confirmation Letters remain a valid form of evidence for Municipal support, or is it superseded by Addendum No. 1?. The issuance of a Municipal Support Resolution signed by City Council will result in the necessity of reissuing a Council Report to receive an updated decision. All council reports need to be submitted two weeks</p>	<p>which clarifies that either a “Municipal Support Resolution or a Blanket Municipal Support Resolution” must be obtained to satisfy the requirement under Section 2.14 of the E-LT1 Contract. Addendum no. 1 to the E-LT1 RFP maintained the option of a Municipal Support Confirmation Letter to obtain the Rated Criteria points for Municipal Support Confirmation under the E-LT1 RFP for purposes of Proposal evaluation. However, it removed the option of using such a letter to satisfy the requirements of Section 2.14 of the E-LT1 Contract, requiring either a Municipal Support Resolution or a Blanket Municipal Support Resolution, specifically, to satisfy this requirement.</p>
--	---

<p>prior to a City Council meeting with the last City Council Meetings prior to the February 16th E-LT1 RFP proposal submission deadline scheduled for January 30th, and February 13th.</p>	
<p>45. Can an Energy Storage Solution contracted in the Expedited Long-Term RFP participate in any current or future Ancillary Services product offered in the IESO Market? More specifically, does an award in the Expedited Long-Term RFP preclude an Energy Storage Solution from simultaneously participating in the Operating Reserve market?</p>	<p>A Facility contracted under the E-LT1 RFP will be obligated to meet its Must Offer Obligations under the E-LT1 Contract. Outside of these obligations, Proponents are free to participate in the IESO-Administered Markets and pursue additional revenue streams from operations of the Facility.</p>
<p>46. In light of the repeating representation included in Section 7.1(l) of the contract stating that at all times the Maximum Contract Capacity be no more than 95% of the Facility’s Nameplate Capacity, will the IESO allow an energy storage solution’s nameplate capacity rating to exceed the “deliverable” or “deliverable but competing” deliverability test result rating such that the full capacity deemed deliverable is no greater than 95% of the Nameplate Capacity?</p>	<p>Per the Deliverability Guidance Document, the largest of the Summer or Winter maximum continuous ratings (MW) provided for Deliverability Testing will serve as the maximum Contract Capacity that may be submitted in respect of the Expedited Process.</p> <p>As such, the Nameplate Capacity of the actual Facility may be up to 5% higher than this maximum Contract Capacity.</p>
<p>47. Will the IESO allow a Qualified Applicant to identify as part of its proposal the ownership structure of the subsidiary they intend to form for the purposes of contracting with the IESO, and permit the Qualified Applicant to incorporate or form the project entity after contract award and prior to execution of the contract?</p>	<p>No. All Proposals must be submitted by and in the name of the entity that will execute the E-LT1 Contract. However, interested parties are reminded that, following contract execution, assignment to an Affiliate is allowed under and subject to Section 16.5(b) of the E-LT1 Contract.</p>
<p>48. Will the IESO permit changes in the legal name and entity structure of a Qualified Applicant prior to the submission of bids (for example, from a limited partnership to a corporation, etc.) provided the entity continues to meet the eligibility criteria for a Qualified Applicant?”</p>	<p>Except for Eligible Expansion Counterparties, the E-LT1 RFP requires that a Proponent be either the Qualified Applicant itself or a Person Controlled by such Qualified Applicant. In the case of a Qualified Applicant that is a limited partnership, a corporation that is Controlled by such limited partnership would be an eligible Proponent. However, and for further clarity, it would not suffice for the corporation to be simply an Affiliate of a Qualified Applicant (i.e., a sibling entity of the Qualified Applicant under</p>



	common Control by an upstream Control Group Member).
49. In light of Hydro One’s recently released Transmission Generation Interconnection and Set Back Requirements, dated December 8th, 2022, available at: <a href="https://www.hydroone.com/businessservices/_generators_/Documents/Generator_interconnection_requirements_for_EHV_and_HV_networks.pdf">https://www.hydroone.com/businessservices/_generators_/Documents/Generator_interconnection_requirements_for_EHV_and_HV_networks.pdf</a> , will proponents be allowed to change physical location / siting of projects after bid submission if Hydro One objects to the siting of the project based on these new restrictions?	Please see the response to question 24 of this document.
50. If the Deliverability Test has deemed a distribution-connected project to be Deliverable or Deliverable-but-Competing, will the IESO allow for changes to the specific distribution feeder(s) / circuit(s) that constitute the Point of Interconnection to the distribution utility prior to bid submission, provided that the location of connection to the IESO-controlled grid does not change (ie. the proposed feeder(s) / circuit(s) are supplied by the same distribution substation)?	In the case of Distribution System-connected projects, the definition of “Connection Point” in the E-LT1 RFP and E-LT1 Contract is outlined as a point of interconnection to the Distribution System. As such, the IESO will not allow for changes to the project feeder(s) or circuits as that would constitute a change to the Connection Point.
51. In response to the risk of delays or changes to the applicability of the proposed Federal Energy Storage ITC, has the IESO given further consideration to offering proponents the ability to bid two prices for each project: one price that assumes the ITC will be applicable to the project, and one price that assumes the ITC is not applicable to the project?	Please see the response to question 25 of this document.
52. Given that the terms of the contract suggest that a single Facility can be designed to interconnect at the distribution level at more than one connection point, would the IESO recognize a metering plan that shows two distribution level connections, each with their own revenue grade meter, that are attributed to a single Project?	Provided that the proposed metering plan will enable reasonable auditing and verification of the Must-Offer Obligation, it is expected that multiple revenue grade meters may be incorporated into an acceptable metering plan under the E-LT1 Contract.

53. What is the status of the CIB Loan offering?	Please see the response to question 38 of this document.
54. Can you confirm that the Deliverability result sets the Maximum Contract Capacity, and not the Nameplate Capacity? As a result, the Nameplate capacity could be 5% higher than the results from the Deliverability test (i.e., if we are deliverable at 100MW, then the Nameplate Capacity can be 105MW and the Contract Capacity would be 100MW)	Yes, per the Deliverability Guidance Document, the largest of the Summer or Winter maximum continuous ratings (MW) provided for Deliverability Testing will serve as the upper limit to the Contract Capacity submitted in a Proposal under the E-LT1 RFP. Contact Capacity may not exceed 95% of the Nameplate Capacity of the proposed Facility.
55. If a statutory holiday falls on a Saturday, is the holiday recognized on the Friday before or the Monday after?	The statutory holiday is recognized on the day it occurs. Please see the definition of Business Day in Appendix A of the E-LT1 RFP and Section 1.1 of the E-LT1 Contract.
56. For a project located in a "Municipality" that is part of a larger "County", to obtain the rated criteria points for providing a Municipal Support Confirmation, does the proponent need to submit a Municipal Support Confirmation from both the "Municipality" and the "County" or will just a Municipal Support Confirmation from the "Municipality" be sufficient to be provided 100% of the rated criteria points?	Each of a Municipal Support Resolution, a Municipal Support Confirmation Letter, or a Blanket Municipal Support Resolution must be by or on behalf of a Local Municipality. A Local Municipality is any corporation that is a "local municipality" as defined in and for the purposes of <i>the Municipal Act, 2001</i> , SO 2001, c 25 or the <i>City of Toronto Act, 2006</i> , SO 2006, c 11, Sched A.
57. For a project that is connecting to a circuit that originates from a Distribution Station that is in one of the 3 Zones with rated criteria points, but this Distribution Station is not listed on the IESO's Revised Location Preference document, but such Distribution Station is downstream of a Transformer Station that is listed on such Revised Location Preference document, would such project qualify for the applicable rated criteria points for that zone?	Yes, Section 4.3(a) of the E-LT1 RFP assigns Rated Criteria Points for location for projects that are connected to a Distribution System based on the location of the transformer station where such Distribution System interconnects with a Transmission System.
58. Can you please clarify if battery storage facilities will be able to submit a daily energy limit as discussed in 3.3A.2 of Chapter 7 the Market Rules?	Yes, Electricity Storage Facilities will be able to submit daily energy limits in accordance with IESO Market Rules.

<p>59. In the attached FAQ document, Q2.6, it is stated that “Proponents must ensure that a unique website URL is created for each individual Long-Term Reliability Project that provides the public with information regarding such Long-Term Reliability Project and community engagement initiatives in respect thereof.”</p> <p>Both in the Draft E-LT1 RFP and the Prescribed Form – Community Engagement Requirements (also attached), it states that “A notice of public community meeting has been posted on the Project Website at least (15) days prior to the date of the public community meeting identified in Section 2.1(f)(iii) of the E-LT1 RFP”</p> <p>It does not state that a unique project URL is required for each project in the Draft E-LT1 RFP and in the Prescribed Form. For our website notifications, we had created unique URLs for each meeting in each Municipality. In the notification, we included all the related individual project information, such as project names, locations, and site plans. Please see below link for example: [URL Redacted]</p> <p>As it is permitted to have one public meeting in each municipality for multiple projects proposed (which make sense to us), we would like to confirm that it is also adequate to IESO that we have one unique website URL per public meeting, as long as in this public meeting notification the individual project information is included. Please let us know if you require any additional information to help clarify our request.</p>	<p>Section 2.1(f)(i) of the E-LT1 RFP states that the Proponent must have a Project Website that describes a community and Indigenous engagement plan in respect of the Long-Term Reliability Project. The separate meeting website can be in addition to the Project Websites, and linked back to the Project Website, however they cannot be used in place of them. Please also refer to question 2.6 of the FAQ document.</p>
<p>60. Would failure to obtain consent under the Planning Act to enter into a lease for longer than 21 years fall under the force majeure clause?</p>	<p>Proponents must have access to the land for the entire duration of the E-LT1 Contract. Inability to obtain required Planning Act approvals or other land-use permits may be circumstances</p>

	under which Section 11.3(i) of the E-LT1 Contract would be applicable.
<p>61. Exhibit R – 2.3 requires the Supplier to use commercially reasonable efforts to cause the facility to participate in the ICI program. O. Reg. 429/04 – 7.4 prevents any Market Participants who are net generators from participating in the ICI program. Most (if not all) IESO Market Participant entities that qualified in the Long-Term RFQ process are likely net generators and therefore unable to participate as Class A customers. Does this mean that Market Participants that are net generators (and therefore not eligible to participate in the ICI program) can rely on ongoing Class B GA cost recovery through the Regulatory Charge Credit mechanism over the contract term?</p>	<p>Exhibit R refers to the determination of Regulatory Charge Credit for Electricity Storage Facilities and specifically contemplates the possibility of the ICI program evolving in the future to enable an Electricity Storage Facility to reduce or avoid Global Adjustment charges by way of avoiding consumption during Peak Demand Periods. An Electricity Storage Facility that is not eligible to avoid Global Adjustment under the ICI program or other regulatory credits will have its Global Adjustment Amount determined based on the actual Global Adjustment charges incurred by the Supplier in respect of the Facility and such amount will be added to its Gross Reimbursable Energy Adder for the applicable Settlement Month.</p>