



ADDENDUM No. 5

Dated August 31st, 2011, to the

CHP IV RFP

Associated with the Ontario Power Authority's Request For Proposals
For approximately 300 MW of Combined Heat and Power Generation

In Ontario (CHP IV RFP)

Referenced as CHP IV – 2011

This Addendum No. 5 contains the following amendments to the CHP IV RFP posted on the OPA's website:

1. Section 2.2 has been amended by adding the requirement that Proposals be submitted by 5 pm EPT on September 1, 2011:

1.1 Timetable

The Timetable with respect to the First Call procurement process for this CHP IV RFP is set out below.

Release draft CHP IV RFP	May 10, 2011
Release of draft CHP IV Contract	May 10, 2011
Information Session	June 7, 2011
Question and Comment Period (public)	May 10 to June 10, 2011
Release of final CHP IV RFP and final draft contract	June 21, 2011
Deadline for Registration (First Call)	June 28, 2011 at 3:00:00 p.m. Eastern Prevailing Time (EPT)
Question and Comment Period (Registered Participants only)	June 20 to July 15, 2011
Individual Information Sessions (Registered Participants only)	June 27 to July 8, 2011
First Call Deadline for Issuing Addenda to CHP IV RFP	July 20, 2011
Release of final CHP IV Contract	July 20, 2011

First Call Proposal Submission Deadline	September 1, 2011 at 5:00 p.m. Eastern Prevailing Time (EPT)
First Call Process Completion Date: Notification to all Proponents, Announcement of Selected Proponent(s), and Execution of CHP IV contract(s) with Selected Proponent(s)	October 14, 2011
Limited Negotiation of additional services if applicable	4th Quarter
<i>Determine and communicate need for Second Call (pending results of First Call)</i>	<i>4th Quarter</i>

Notes:

1. The OPA has established a notional capacity target of 300 MW for this CHP IV procurement (the "**CHP IV Target Capacity**"), with a First Call Target Capacity of 200 MW for the First Call and a Second Call Target Capacity of 100 MW for the Second Call.
2. The need for the Second Call and Second Call Target Capacity may be affected by the aggregate capacity of projects selected in the First Call.

The OPA reserves the right to accelerate and postpone the dates set out above. The acceleration or postponement of any date prior to the First Call Proposal Submission Deadline shall be made by way of notice to CHP IV Registered Participants and shall be published on the OPA Website. The acceleration or postponement of any date following the Proposal Submission Deadline shall be made by way of notice to Proponents only.

If any Addendum is issued after the First Call Deadline for Issuing Addenda, the OPA may at its discretion extend the First Call Proposal Submission Deadline for a reasonable amount of time having regard to the circumstances.

2. Appendix I has been amended to include a reference to addenda to the RFP issued after July 20, 2011.

**STATUTORY DECLARATION (PROPOSAL VALIDITY, SECURITY,
CHP IV HEAT RATE QUALIFICATION AND NON-COLLUSION)**

PROVINCE OF ONTARIO

TO WIT

IN THE MATTER OF a proposal dated •, 2011 to which this Declaration forms an integral part (the "Proposal") prepared by • (the "Proponent"), and submitted in response to a Request for Proposals for up to 300 MW of Combined Heat and Power Supply issued by the Ontario Power Authority and dated •, 2011, as amended (the "CHP IV RFP")

I, •

OF THE •

IN THE •

SOLEMNLY DECLARE THAT

- (a) I am the • of the Proponent and as such, have knowledge of the matters declared below, and am duly authorized by the Proponent to execute this declaration. All capitalized terms used in this declaration, unless otherwise stated, have the meanings ascribed to them in the CHP IV RFP.

PROPOSAL VALIDITY AND PROPOSAL SECURITY

All statements, specifications, data, confirmations and other information that have been set out in the Proposal, including, without limitation, the Proposal Form, are complete and accurate in all material respects.

The Proposal is valid, irrevocable, and open for acceptance, until 5:00 P.M. (EPT) on the ninetieth (90th) day after the First Call Proposal Submission Deadline.

The Proponent has consented, pursuant to subsection 17(3) of the Freedom of Information and Protection of Privacy Act (Ontario), to the disclosure, on a confidential basis, of the Proposal by the OPA to the OPA and the OPA's advisors retained for the purpose of evaluating or participating in the evaluation of the Proposal.

The Proponent has received and reviewed the CHP IV RFP issued by the OPA, together with any and all addenda thereto either posted on the OPA Website or mailed to the Proponent from time to time, up to and including the First Call Deadline for Issuing Addenda on [●] and other subsequent addenda.

The Proponent has received and reviewed the final CHP IV Contract issued by the OPA, together with any and all addenda thereto either posted on the OPA Website or mailed to the Proponent from time to time, up to and including the First Call Deadline for Issuing Addenda on [●], and has agreed to be bound by the terms of the CHP IV Contract including any security that may be required under the CHP IV Contract.

Neither the Proponent, the proposed Contract Facility described in the Proposal, nor any member of the Proponent Team is the subject of any bona fide legal proceedings, investigation or regulatory hearings that could materially impact the financial condition of the Proponent or any of the entities involved in financing and operations for the proposed Contract Facility.

The Proponent has agreed that the OPA shall be able to draw upon the full amount of the Proposal Security if the Proponent, having become a Selected Proponent, has failed to sign the CHP IV Contract, or has failed to deliver the Completion and Performance Security to the OPA within the time required as set forth in the CHP IV RFP, or has made a material misrepresentation in the Proposal, or is in breach or default of the CHP IV RFP.

CHP IV HEAT RATE QUALIFICATION

The proposed Contract Facility will, when completed, meet the requirements of the CHP IV Heat Rate Qualification including, without limitation, the Useful Heat Output requirement and will satisfy the requirements of the definition of Useful Heat Output in the CHP IV RFP.

NON-COLLUSION

I acknowledge and represent that no person, firm or corporation, nor any person representing the Proponent and/or participating in the submission of the Proposal, has directly or indirectly entered into any discussion, communication, agreement or arrangement with any other proponent, whereby the Proponent, in order to induce acceptance of the Proposal by the OPA, has paid or is to pay or provide to any other proponent anything of value, and that the Proponent has not, directly or indirectly entered into any discussion, communication, arrangement or agreement with any other Proponent or Proponents that could have the effect of reducing competition in respect of the subject matter of the CHP IV RFP.

In preparing this Proposal, only the following individuals **[state names of individuals]** were involved in determining pricing of this Proposal (whether as a member of its Proponent Team or otherwise), no other individuals were so involved and such specified individuals were not involved in determining pricing of the Proposal of any other Proponent Team, unless the Proponent of such other Proponent Team is the same as, is owned as to 50% or more by, is Controlled by or is under Common Control with, the Proponent making this Proposal, in which case, employees of the Proponent and an entity which Controls the Proponent and such other Proponent may be involved in determining pricing of a Proposal of such other Proponent Team, and in which case names of such individuals and details of such other Proposal(s) are as set out below:

Name	Other Proposal(s)

Except in accordance with the foregoing, the Proponent:

- (a) has not coordinated its Economic Bid Statement or any other aspect of any of its Proposal(s) with any other Proponent Team; and
- (b) has kept and will continue to keep the Proposal confidential until the First Call Process Completion Date.

No member of its Proponent Team has entered into any agreement or arrangement with any member of any other Proponent Team, which may, directly or indirectly, affect the Economic Bid Statement or any other aspect of any Proposal submitted by the Proponent and/or any other Proponent Team.

Neither the Proponent nor any member of its Proponent Team has engaged in any Prohibited Conduct.

AND I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DECLARED BEFORE ME)
at the ● of ●,)
in the [County/Region] of ●, on ●.)
)
)
_____) _____
Commissioner for taking affidavits) Name



**REQUEST FOR PROPOSALS
FOR APPROXIMATELY 300 MW OF COMBINED
HEAT AND POWER GENERATION IN ONTARIO**

("CHP IV RFP")

Request for Proposals No.: CHP IV-2011

RFP Issued: June 21, 2011

Amended: August 31, 2011

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1. Introduction

1.1 Purpose of CHP IV RFP

Through this request for proposals (this "**CHP IV RFP**"), the Ontario Power Authority (the "**OPA**") is seeking approximately 300 MW of high efficiency combined heat and power generation ("**CHP**") facilities located in Ontario that affect supply or demand in the interconnected electricity grid in Ontario by delivering firm and reliable supply to either the IESO-Controlled Grid, an LDC, or an Electrical Host Facility.

For the purposes of this CHP IV RFP, any CHP facility configuration that is a Cogeneration Facility using only Eligible Energy Sources as its energy source is acceptable.

1.2 Background

On November 23, 2010, the Ontario Minister of Energy directed the OPA to work towards procuring up to 1,000 MW of high efficiency CHP projects in Ontario, including the capacity the OPA has procured to date under its previous CHP I, CHP II and CHP III procurement processes.

In response to the Ministerial Directive, the OPA seeks to procure CHP contracts with facilities over 20 MW through this CHP IV RFP.

This CHP IV RFP is one of two procurement processes initiated by the OPA in response to the Ministerial Directive. The other procurement process is the Clean Energy Standard Offer Program for distribution-connected facilities 20 MW or under, comprising the Combined Heat and Power Standard Offer Program and the Energy Recovery Standard Offer Program.

Participation in this CHP IV RFP does not preclude participation in any present or future OPA procurement initiatives, provided that all eligibility criteria set out under such procurement initiatives are satisfied.

This CHP IV RFP is not in any way intended to preclude, restrict or otherwise discourage any party from proceeding with the development of new generating facilities outside the scope of this CHP IV RFP.

1.3 General Arrangements

Selected Proponent(s) will execute the OPA's form of CHP IV Contract. The OPA will post the form of the CHP IV Contract for review on the OPA Website as indicated in the Timetable.

1.4 Ontario Power Authority

The OPA is established under the Electricity Act, 1998, as a statutory corporation that is not a Crown agent. The OPA is authorized to call on the private sector when needed for new generating capacity and demand-side initiatives to be secured through competitive procurement processes.

Credit ratings for the OPA have been issued by Moody's and DBRS and additional information about the OPA can be obtained from the OPA Website.

2. Process Overview

2.1 Overview of CHP IV RFP Process

This CHP IV RFP process is divided into two parts and two submissions:

I	Registration Form Submission to become a " Registered Participant "	Open to all interested parties	See Section 2.5, "Registration Form Submission Process"
II	Submission of Proposal to become a " Proponent "	Open only to a Registered Participant or its Special Purpose Vehicle	See Section 2.6, "Proposal Preparation and Submission Process"

For clarification, all interested parties seeking to become Registered Participants must register as described in Section 2.5, "Registration Form Submission Process" even if they have previously registered with the OPA.

2.2 Timetable

The Timetable with respect to the First Call procurement process for this CHP IV RFP is set out below.

Release draft CHP IV RFP	May 10, 2011
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Information Session	June 7, 2011
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Limited Negotiation of additional services if applicable	4th Quarter
<i>Determine and communicate need for Second Call (pending results of First Call)</i>	<i>4th Quarter</i>

Notes:

1. The OPA has established a notional capacity target of 300 MW for this CHP IV procurement (the "**CHP IV Target Capacity**"), with a First Call Target Capacity of 200 MW for the First Call and a Second Call Target Capacity of 100 MW for the Second Call.
2. The need for the Second Call and Second Call Target Capacity may be affected by the aggregate capacity of projects selected in the First Call.

The OPA reserves the right to accelerate and postpone the dates set out above. The acceleration or postponement of any date prior to the First Call Proposal Submission Deadline shall be made by way of notice to CHP IV Registered Participants and shall be published on the OPA Website. The acceleration or postponement of any date following the Proposal Submission Deadline shall be made by way of notice to Proponents only.

If any Addendum is issued after the First Call Deadline for Issuing Addenda, the OPA may at its discretion extend the First Call Proposal Submission Deadline for a reasonable amount of time having regard to the circumstances.

2.3 Delay of the Evaluation Process

If the First Call Process Completion Date is delayed past the date indicated in the posted Timetable in Section 2.2, including the determination of the Selected Proponents, the OPA will for each such day of the delay, correspondingly extend the Milestone Dates indicated in the Proposal of the Selected Proponents by one day.

2.4 Communications

2.4.1 Review of Documentation and Questions

This CHP IV RFP, the CHP IV Contract and all Addenda relating thereto will be public and accessible via the OPA Website. All interested parties should promptly examine all such documentation and:

- report any errors, omissions or ambiguities; and
- send any questions they may have regarding this CHP IV RFP or the CHP IV Contract,

by sending an email to CHP@powerauthority.on.ca, on or before the end of the Question and Comment Periods specified in Section 2.2. All questions, comments and responses will be posted on the OPA Website, but the identity of any party asking any question or making any comment will not be revealed. It is the responsibility of any Registered Participant or Proponent to seek clarification by submitting questions or comments on any matter that it considers to be unclear. The OPA shall not be responsible for any misunderstanding or difference in interpretation on the part of any Registered Participant or Proponent concerning any aspect of this CHP IV RFP and the CHP IV Contract.

After the Registration Deadline, only questions or comments sent by email from Registered Participants will be accepted by the OPA.

In addition, a Registered Participant or Proponent may contact the OPA at any time during this procurement process in connection with a procedural matter by sending an email to CHP@powerauthority.on.ca. This email account will be monitored by representatives of the OPA who will acknowledge receipt of each email within a reasonable time after it has been

received, and who may respond to any such inquiry and/or make such email and its response public by posting them on the OPA Website without revealing the identity of the person making such inquiry.

No communications are to be directed to any person or in any manner other than as prescribed in this CHP IV RFP. A failure on the part of a CHP IV Party to restrict its communication with the OPA to the communications channels prescribed in this CHP IV RFP may lead to a disqualification of the Proposal(s) of its Proponent Team.

2.4.2 Prohibited Communications

The OPA does not wish to prevent essential or appropriate communications for the purposes of electrical connection, site control, community liaison or support, engagement of Aboriginal peoples, permitting, licensing, engineering and project planning and development, regulatory compliance and compliance with the requirements of this CHP IV RFP (collectively, the "**Permitted Purposes**"). Therefore, CHP IV Parties are advised that the following communications rules apply with respect to this CHP IV RFP to each CHP IV Party:

- (a) Communications must be only for the Permitted Purposes and for no other purposes.
- (b) Permitted communications include communications with MPPs, mayors, municipal officials, municipal administrative staff, the media, members of the public, for the Permitted Purposes and for no other purposes.
- (c) Communications shall not be for the purposes (the "**Excluded Purposes**") of:
 - (i) Obtaining or attempting to obtain an unfair advantage in respect of the CHP IV RFP or other stage of this procurement process;
 - (ii) influencing or attempting to influence the terms or outcome of the CHP IV RFP or other stage of this procurement process;
 - (iii) influencing or attempting to influence government officials (including the Ministry of Energy), regulatory officials or the management or staff of the OPA, IESO, OEB, any Transmitter, or any LDC with respect to changes to laws, regulations, rules, policies, or guidelines (including the IESO Market Rules) directly or indirectly affecting the CHP IV RFP or the CHP IV Contract, but excluding applications for permits, approvals or technical arrangements;

- (iv) making comparisons between its proposed Project and the proposed Project of any other potential Proponent;
 - (v) denying any other potential Proponent fair, open and impartial consideration; or
 - (vi) impairing or attempting to impair the confidence of the public or any governmental official in the process or outcome of this CHP IV RFP or any other OPA procurement process.
- (d) The onus shall be on a Proponent to demonstrate that any communications by it or a member of its Proponent Team in relation to this CHP IV RFP that have not been promptly and publicly disclosed (whether on the CHP IV Party's website or otherwise) were not communications for Excluded Purposes.
- (e) Communication for any Excluded Purposes shall be and is hereby expressly excluded from the Permitted Purposes.
- (f) Communications with any member of the OPA's board of directors, the OPA or its advisors, other than as expressly provided in this CHP IV RFP, would be considered to be communications for Excluded Purposes. Communications with IESO staff and Ministry of Energy staff are permissible only for Permitted Purposes. Opportunities shall not be used for communication with IESO or Ministry of Energy staff or any other person for Permitted Purposes to carry out communications for Excluded Purposes.

If a CHP IV Party has any questions regarding the appropriateness of specific communications for purposes of this Section 2.4.2, they are advised to seek clarification from the OPA via the email address: CHP@powerauthority.on.ca

The OPA shall have the right to request and obtain from a Registered Participant or Proponent and such party shall, if so requested, promptly provide to the OPA, information or clarification regarding the appropriateness of any communications of such party or the members of its Proponent Team, as applicable, in relation to or arising out of this CHP IV RFP. The Registered Participant or Proponent shall provide all information reasonably necessary or appropriate to allow the OPA to assess whether such communications are or were for Permitted Purposes or not.

In cases of breach of the foregoing communications rules, the OPA may, in its discretion, without any liability, cost or penalty, revoke the status of a Registered Participant or Proponent as such, and reject any Submission proposed to be submitted or actually submitted by such Registered Participant or Proponent.

The prohibited communications rules set out above shall not prohibit a CHP IV Party from publishing any notice that is required in connection with obtaining any regulatory approvals required for the development of the proposed Project.

No CHP IV Party shall engage in any communications that would constitute a Conflict of Interest or that would breach the Non-Collusion Requirements.

2.5 Registration Form Submission Process

2.5.1 CHP IV Registration

To become registered for this CHP IV RFP, an interested party must submit both an electronic copy and a hard copy of the Registration Form, found at Appendix B, and pay a non-refundable registration fee of \$10,000 plus HST (the "**Registration Fee**") to the OPA, on or before the Deadline for Registration (First Call). A separate Registration Form and a separate Registration Fee is required for each proposed Project.

Registration Fees must be paid by certified cheque or a bank draft made out in favour of "**Ontario Power Authority**". The OPA's HST registration number is 854195039RT0001. The only circumstances in which Registration Fees will be refunded are in the event that the OPA exercises its rights reserved under subsections 5.7(i) or 5.7(j) of this CHP IV RFP to cancel it. The Registration Fee is not refundable under any other circumstances whatsoever including circumstances in which a Registered Participant subsequently decides to withdraw, chooses not to submit a Proposal, is disqualified from or is not selected under the CHP IV RFP process.

The completed Registration Form must identify, among other things, the Registered Participant, the Host, Host Facility, the Project, the application of the Useful Heat Output and the proposed Connection Point. Subject to Section 2.6.1, only the name of the Registered Participant and the description of the application of Useful Heat Output, as set out in the Registration Form, will be required to be exactly the same as for Proposal submission purposes. For greater certainty, and to the extent applicable, an interested party may be listed as both the Registered Participant and the Host.

Submissions should be sent to the OPA at the addresses specified in Section 2.5.2, and must be received by the OPA before the Deadline for Registration (First Call) or the First Call Proposal Submission Deadline, as applicable, specified in Section 2.2. If the Registration Form and the Registration Fee are not both received before the Deadline for Registration (First Call), then the Registration Form will not be considered. The onus remains solely with the person seeking to become a Registered Participant to instruct courier and delivery personnel to deliver the

Registration Form and Registration Fee to the specified location by the specified deadline. The OPA will not be responsible for late deliveries or deliveries to an incorrect location.

The OPA will, within 15 days after the Registration Form Submission Deadline, provide a Registration Form Acceptance Notification which will confirm acceptance of a Registration Form and receipt of the Registration Fee.

To expedite subsequent stages of this CHP IV RFP procurement process and subject to the requirements of 2.10, the OPA may, at its discretion, share the proposed Connection Point and the Annual Average Contract Capacity as indicated on the Registration Form with the applicable Transmitter, LDC and the IESO, as required.

2.5.2 Address for Registration Form Submissions

Registration Forms should be submitted electronically to CHP@powerauthority.on.ca and a hard copy of the Registration Forms and the Registration Fees should be submitted via mail, courier or in person to the following address:

**Ontario Power Authority
Richmond-Adelaide Centre
120 Adelaide Street West
Suite 1600
Toronto, Ontario
M5H 1T1**

Attention: CHP IV RFP

After the Deadline for Registration (First Call), a Registered Participant shall not be able to withdraw or amend its Registration Form and Registration Fee, although the OPA may request further clarification, information, statements or documentation.

2.5.3 Individual Information Sessions

Registered Participants are entitled to one private information session per Registration Form (each an "**Individual Information Session**") having a maximum duration of one hour. The sessions will occur during the time period specified in the Timetable and will be scheduled by the OPA. Failure of a Registered Participant to attend a scheduled Individual Information Session shall not give rise to any obligation of the OPA to schedule another Individual Information Session or the right of a Registered Participant to attend an Individual Information Session other than at the time originally scheduled by the OPA.

The purpose of the Individual Information Session is to provide the Registered Participant with an opportunity to meet with the OPA project team and to discuss this CHP IV RFP process, the form of CHP IV Contract, and, on a confidential basis, the technical elements of its proposed Contract Facility. The information sessions are being offered only to Registered Participants and only as an aid to their understanding of this CHP IV RFP and the form of CHP IV Contract. Registered Participants can provide input and comments, as well as ask questions and clarifications. The OPA may not be in a position to answer all questions raised at each session. However, the OPA may provide answers by summarizing and posting all inquiries and their responses in a generic, anonymous form on the OPA Website.

Registered Participants are advised that the final CHP IV RFP will supersede all discussions of any kind whatsoever between the OPA and Registered Participants.

With respect to scheduling a session, Registered Participants should indicate three timing preferences during the time period specified in the Timetable on their Registration Form. All additional scheduling requests or changes should be sent after the Registration Deadline to CHP@powerauthority.on.ca and must include a contact name, email address and phone number.

The protocol and rules for the Individual Information Sessions are as follows:

- The Fairness Advisor will monitor all sessions and report on the conduct of all sessions.
- Sessions are solely for clarification purposes and are not an approval or prevetting activity, including but not limited to the Proposal and the proposed Contract Facility.
- The OPA will not render any opinion on the proposed Contract Facility.
- No discussion will be permitted with respect to matters dealing with the parameters in the Economic Bid Statement for a project with the exception to clarifications of terms and conditions in the CHP IV Contract affecting financial considerations.
- There will be no verbatim recording of the sessions; the OPA and the Registered Participants may record notes for their own purposes, however no distribution of any notes between the OPA and the Registered Participant will be permitted.
- All OPA attendees will not be evaluators for this CHP IV RFP.
- Any new information provided by the OPA to a Registered Participant will be made available to all Registered Participants.

- The OPA has the right to make public any changes or new information resulting from the sessions that affect all Registered Participants. Such changes or new information will be posted on the OPA Website in the form of generic, anonymous questions or comments, as well as via Addenda.
- Neither a Registered Participant nor the OPA is under any obligation to provide answers.
- Either party can provide hand outs or visual aids but they will be returned to the originating party at the end of the session.

The protocol and rules may be varied in the discretion of the OPA but will be applied in the same manner among all Registered Participants.

2.6 Proposal Form and Submission Process

2.6.1 Eligible Proposal Submission Entities

Only a Registered Participant or its Special Purpose Vehicle may submit Proposals and become Proponents. The Registered Participant submitting a Proposal must be the same as set out in the corresponding Registration Form, except that, where a Registered Participant includes more than one entity, one or more of those entities may withdraw as a Registered Participant after receipt of the Registration Acceptance Notification, so long as at least one of the entities named as Registered Participant on the Registration Form remains for purposes of submitting a Proposal and becoming a Proponent. For greater certainty, no entity not previously named as a Registered Participant on a Registration Form may be added as a Registered Participant after receipt of the Registration Acceptance Notification for purposes of submitting a Proposal and becoming a Proponent. Where a Special Purpose Vehicle submits a Proposal it must identify the Registered Participant that is its Parent Registered Participant.

Proponents are responsible for ensuring that the Proposals are complete in every respect and in compliance with this CHP IV RFP. The Proposal Form has been designed to assist the Proponent in this regard and the Proposal Form must be followed. Where information is requested in this CHP IV RFP, the Proposal Form references the applicable section numbers of this CHP IV RFP where such request is made and provides the appropriate location to answer such request.

Each Registered Participant or its Special Purpose Vehicle may submit only one Proposal in relation to each applicable Registration Form. Where a Registered Participant intends to have

more than one Proposal submitted it may have a separate Special Purpose Vehicle for each such Proposal.

2.6.2 Proposal Preparation

Proponents should format their Proposals in accordance with the instructions in this CHP IV RFP and must use the Proposal Form.

Apart from the completion of any blanks, bullets or similar uncompleted information in the Proposal Form or any Required Forms, a Proponent may not make changes to the pre-printed wording of the Proposal form or the Required Forms. The Proposal Form and the Required Forms will be made available on the OPA Website in a writable PDF format following the First Call Deadline for Issuing Addenda. Any changes made to the Proposal Form or the Required Forms, whether on the face of such forms or contained elsewhere in the Proposal, may result in the disqualification of the Proposal. The Proposal Form and all Required Forms must be signed by a director, officer or other person who has the authority to bind the Proponent.

Certain Required Forms are, or contain, 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 Team, to confirm that each of the statements set out in the declarations can be made accurately and truthfully. If the OPA determines in its discretion that any matter declared is not materially true and correct, then the Proposal may be invalidated and disqualified, and the OPA may, in addition to any other remedies available at law or in equity, draw upon the full amount of the Proposal Security as liquidated damages. In instances where a Proposal is not invalidated notwithstanding a discrepancy or inconsistency between the declarations in the Required Forms populated with relevant information by the Proponent and those declarations elsewhere in the Proposal, the declarations in the Required Forms populated with relevant information by the Proponent shall prevail over any of the declarations made by the Proponent elsewhere in the Proposal.

To the extent that the Proposal entails the provision of information that may already have been provided by the Proponent or its Parent Registered Participant to the OPA at an earlier point in this procurement process (such as in the Registration Form, for example), the Proponent should not incorporate any such information by reference but rather should restate and provide in the Proposal all such information previously provided.

2.6.3 Proposal Submission Requirements

To be considered, a Proposal must be received no later than the First Call Proposal Submission Deadline at the following address:

**Ontario Power Authority
Richmond-Adelaide Centre
120 Adelaide Street West
Suite 1600
Toronto, Ontario
M5H 1T1**

Attention: CHP IV RFP

The Proponent is responsible for ensuring that its Proposal is time-stamped on delivery at the address given above. Any Proposal that is time-stamped after the First Call Proposal Submission Deadline will not be considered and will be returned unopened to the Registered Participant.

A Registered Participant may submit Proposals for more than one Project directly or indirectly by using a Special Purpose Vehicle, subject to the Non-Collusion Requirements, provided that, where the Registered Participant submits more than one Proposal directly, the entity or entities named as Registered Participant(s) are identical for each Project (including if an entity withdraws as a Registered Participant as described in Section 2.6.1), and provided that a separate Registration Form had been properly submitted and a separate Registration Fee has been paid to the OPA for each such Project. However, only one Proposal may be submitted by or for a Registered Participant in respect of each Project. For greater certainty, (i) a Registered Participant is not permitted to directly or indirectly submit a Proposal for a Project with a restatement and a second Proposal for that Project without a restatement, (ii) an entity may not be a member of more than one Registered Participant, and must only be a member of one Registered Participant, including where the Registered Participant will be submitting Proposals for more than one Project, (iii) if an entity withdraws as a Registered Participant, it must withdraw with respect to all proposed Projects of that Registered Participant, and (iv) an entity may not simultaneously be a sole Registered Participant and one of a number of entities comprising another Registered Participant, or a Registered Participant and a member of a different Registered Participant's Proponent Team.

The Proposal must meet the Proposal Completeness Requirements outlined in Section 3.1 of this CHP IV RFP. The specific submission requirements applicable to the Proposal Security and the Economic Bid Statement are described below.

A Proponent must submit the following:

- **Proposal**

One original hard copy prominently marked "**Original Copy**" of its Proposal, excluding the Proposal Security and the Economic Bid Statement (the Proposal Security and Economic Bid Statement are to be submitted in separate envelopes as provided below), 10 additional hard copies of its Proposal, and one electronic version of the Proposal provided on a CD-ROM, DVD or USB flash drive. The original hard copy of the Proposal and the electronic version must contain every document in the Proposal including all supporting documentation; however, with respect to the 10 additional hard copies of the Proposal, the OPA will accept supporting documentation that is determined by the Proponent to be too voluminous for submission in paper form to be submitted in electronic form on 10 additional CD-ROMs, DVDs or USB flash drives instead. With respect to all electronic versions of the Proposal and electronic versions of any supporting documentation as applicable, files should be electronically searchable, and Acrobat-compatible files are acceptable. In the event of a conflict between the hard copy and the electronic copy of the Proposal, the hard copy of the Proposal will prevail.

- **Proposal Security**

One original hard copy of its Proposal Security in accordance with Section 3.2.19 which Security should be contained in a separate envelope marked "**Proposal Security**".

- **Economic Bid Statement**

One original hard copy of its Economic Bid Statement in accordance with Section 3.3 which must be contained in a separate, opaque and sealed envelope marked "**Economic Bid Statement**".

The additional envelopes for the Proposal Security and Economic Bid Statement should clearly state the Proponent's name and the name of the proposed Contract Facility.

The entire Proposal (including the Proposal Security and the Economic Bid Statement) should be contained in a sealed package.

The Proposal Delivery Label attached as Appendix G should be affixed to the outside of the sealed package. In addition to the Proposal Delivery Label, the outside of the sealed package

should also have the word "**Proposal**" prominently marked with the "**CHP IV RFP**" title as set out on the cover page of this CHP IV RFP. The full legal name of the Proponent and its return address should also appear on the outside of the sealed package.

The Proposal must be in English only, and should be typed or printed neatly in black ink on both sides of 8.5 x 11 inch paper, and all pages should be numbered sequentially. Proposals should be collated and organized in a user-friendly manner in accordance with the Proposal Form, containing detailed responses and referencing any attached substantiating documentation.

All submitted Proposals become the property of the OPA and shall not be returned to the Proponent.

2.6.4 Amending or Withdrawing Proposals

At any time prior to the First Call Proposal Submission Deadline, a Proponent may amend or withdraw a submitted Proposal. Any such withdrawal shall not entitle the Proponent to a refund of its Registration Fee paid to the OPA pursuant to Section 2.5. The right of Proponents to amend or withdraw prior to the First Call Proposal Submission Deadline includes amendments or withdrawals wholly initiated by Proponents and amendments or withdrawals in response to subsequent information provided by addenda to this CHP IV RFP or CHP IV Contract. Any amendment to a Proposal made prior to the First Call Proposal Submission Deadline should clearly indicate what part of the Proposal the amendment is intending to affect or replace.

After the First Call Proposal Submission Deadline, a Proponent shall not be able to withdraw or amend its Proposal, although the OPA may request further clarification, information, statements or documents.

2.6.5 Irrevocability

Proposals shall be irrevocable in the form submitted by the Proponent for 90 days from the First Call Proposal Submission Deadline or for such longer period as agreed pursuant to the provisions of this Section 2.6.5 (the "**Period of Irrevocability**").

If the OPA wishes to extend the Period of Irrevocability, the OPA shall submit a request prior to the expiry of the Period of Irrevocability to those Proponents whose Proposals are, at the time of the request, still being considered in the evaluation process. A Proponent may, in its discretion, refuse to extend the Period of Irrevocability and notify the OPA of such intent within five Business Days after such request was made.

If a Proponent refuses to extend the Period of Irrevocability, the Proponent's Proposal shall continue to be irrevocable in accordance with the original Period of Irrevocability.

If the OPA determines that it will be unable to award contracts prior to the expiration of the original Period of Irrevocability, it will, after the expiration of the original Period of Irrevocability, discontinue the evaluation of a Proponent who has refused the OPA's request to extend its Period of Irrevocability. The OPA will continue to evaluate Proposals of those Proponents who have consented to an extension to their Period of Irrevocability and award a contract, if at all, to one or more of such remaining Proponents.

2.7 Selected Proponents

If one or more Selected Proponents are chosen by the OPA, the OPA will first advise each Selected Proponent orally, then in writing, of its selection, and will also advise the other Proponents to stand by pursuant to Section 2.8.

The OPA may in its discretion, after the close of business in Toronto, Ontario on the date that it has completed informing all Selected Proponents orally of their selection, make a public announcement of such selection, noting that such selection is subject to the successful completion and execution of the CHP IV Contract and related closing documents. The OPA will forward to each Selected Proponent a copy of the CHP IV Contract and those related closing documents prepared by the OPA for completion and execution by the Selected Proponent, and the date that the CHP IV Contract and such closing documents are sent by the OPA to the Selected Proponent is referred to as the "**CHP IV Contract Receipt Date**". For greater certainty, if a Selected Proponent is not a single legal entity (for example, an unincorporated joint venture or a general partnership), then each of the legal entities forming the Selected Proponent shall execute the CHP IV Contract as the Supplier and shall be jointly and severally liable to the OPA for all representations, warranties, obligations, covenants and liabilities of the Supplier thereunder.

A Selected Proponent must (i) deliver the Completion and Performance Security to the OPA within eight (8) Business Days of the CHP IV Contract Receipt Date, and (ii) execute and deliver the CHP IV Contract together with all related closing documents required by the OPA (including certificates of status, officer's certificates and opinions of counsel as the OPA requests), within ten (10) Business Days of the CHP IV Contract Receipt Date; provided, however, that the Completion and Performance Security must be delivered at least two (2) Business Days prior to the execution and delivery of the CHP IV Contract. For greater certainty, it is the Selected Proponent who must execute and deliver the CHP IV Contract, and the Selected Proponent may

not substitute or propose to substitute another party in its place. Where the Selected Proponent is a Special Purpose Vehicle, the Selected Proponent and its Parent Registered Participant shall thereafter be jointly and severally liable for all of the Selected Proponent's obligations arising hereunder and in connection with the Selected Proponent's Proposal, provided that only the Selected Proponent shall be liable for the obligations under the CHP IV Contract signed by it.

Should a Selected Proponent fail to deliver the Completion and Performance Security or fail to execute and deliver the CHP IV Contract and all related closing documents required by the OPA within the required timeframes, the Selected Proponent will be in breach of this CHP IV RFP and the OPA may, in its discretion and without limiting its rights under this CHP IV RFP, disqualify such Selected Proponent, draw upon the entire amount of the Proposal Security as liquidated damages, and/or select another Proponent in its place in accordance with the priorities established in Stage 5.

Once the required Completion and Performance Security and the executed CHP IV Contract and all related closing documents have been delivered to the OPA by a Selected Proponent, the OPA may in its discretion coordinate, in consultation with the Supplier, a second public announcement concerning the Supplier and its Contract Facility.

2.8 Other Proponents

Shortly after notifying the Selected Proponent(s) pursuant to Section 2.7, the OPA will notify the other Proponent(s) of the fact that one or more Proponents have been selected by the OPA as the Selected Proponent(s). Those other Proponent(s) who were evaluated in Stage 5 (see Section 3.5 below) will be advised to stand by, in the event that the OPA disqualifies any Selected Proponent and selects another Proponent pursuant to Section 2.7.

Once the required Completion and Performance Security and the executed CHP IV Contract and related closing documents are delivered to the OPA by the Selected Proponent(s) in accordance with Section 2.7, the OPA will advise the other Proponent(s) in writing that the CHP IV RFP process has concluded, that they were not selected by the OPA under this CHP IV RFP, and that such decision is final and binding.

Proponents are reminded that the communications restrictions imposed by Section 2.4.2 continue to apply until the conclusion of the CHP IV process.

2.9 Debriefing

Proponents who did not become Suppliers may request a debriefing after receipt of a notification of contract award to Suppliers. Requests must be made by email to CHP@powerauthority.on.ca email address and must be made within 30 days of the notification to Proponents who did not become Suppliers. The intent of the debriefing session is to assist the Proponent in presenting a better proposal in subsequent procurement opportunities. Any debriefing provided is not offered for the purpose of providing an opportunity to challenge this CHP IV RFP procurement process. For clarity, no information given in such debriefing may be used for the purposes of challenging this CHP IV RFP process or result.

2.10 Confidentiality

All information provided by a Registered Participant, or Proponent is subject to, and may be released in accordance with, the provisions of the Freedom of Information and Protection of Privacy Act (Ontario). The Registered Participant or Proponent will clearly indicate in a separate confidentiality statement, in a form provided by the Registered Participant, or Proponent, any portion of the Registration Form or the Proposal that contains proprietary or confidential information for which confidentiality is to be maintained by the OPA and its advisors. Such portions of the Registration Form or the Proposal must be clearly marked "**Proprietary and Confidential**" by the Registered Participant, or Proponent. If no separate confidentiality statement is provided or no corresponding information is identified as confidential or proprietary, the Registered Participant, or Proponent will be automatically deemed to certify to the OPA that no portion of the Registration Form or the Proposal contains proprietary or confidential information for which confidentiality is to be maintained by the OPA or its advisors.

The confidentiality of any information identified by the Registered Participant or Proponent as proprietary and confidential will be maintained by the OPA and its advisors, except where an order by the Information and Privacy Commissioner, a court or a tribunal requires the OPA to do otherwise. Notwithstanding the foregoing, the OPA shall not be required to maintain the confidentiality of any such information that:

- is or becomes generally available to the public without fault or breach on the part of the OPA or its advisors of any duty of confidentiality owed by the OPA and its advisors to the Registered Participant, Proponent, or to any third party;

- the OPA and its advisors can demonstrate had been rightfully obtained by the OPA or its advisors, without any obligation of confidence, from a third party who had the right to transfer or disclose such information to the OPA and its advisors free of any obligation of confidence;
- the OPA and its advisors can demonstrate had been rightfully known by, or in the possession of, the OPA and its advisors at the time of disclosure, free of any obligation of confidence when disclosed; or
- has been independently developed by the OPA and its advisors.

Submissions will, as necessary or appropriate, be disclosed on a confidential basis to the OPA, a relevant Transmitter, an applicable LDC, the IESO, the Fairness Advisor, the OPA's counsel and other advisors retained in connection with this CHP IV RFP and in the evaluation of the Proposals.

All information provided by or obtained from the OPA in any form in connection with this CHP IV RFP process other than through the OPA Website is the sole property of the OPA and must be treated as confidential and:

- must not be used for any purpose other than replying to this CHP IV RFP;
- must not be disclosed without the prior written authorization of the OPA; and
- must be returned by the Registered Participant, or Proponent to the OPA immediately upon the request of the OPA.

Notwithstanding anything to the contrary in this Section 2.10, the OPA may publish or otherwise disclose at any time or times the following information:

- the number of Registration Forms received and the number of Proposals received;
- the names of Registered Participants, Proponents (including the Selected Proponent[s]), and the names of their respective proposed Facilities and the locations of their respective Sites;
- and the names of all Suppliers, and the names and locations of their proposed Contract Facilities.

2.11 Addenda

This CHP IV RFP and the CHP IV Contract may be amended only by Addendum in accordance with this Section 2.11. If the OPA, for any reason, determines that it is necessary to provide additional information relating to this CHP IV RFP, such information will be communicated by posting such Addendum on the OPA Website on or prior to the First Call Deadline for Issuing Addenda.

Each Addendum may contain important information, including significant changes to this CHP IV RFP and the CHP IV Contract, and Registered Participants or Proponents are responsible for visiting the OPA Website as often as is necessary to ensure that they obtain all of the Addenda to this CHP IV RFP, the CHP IV Contract and other notices issued by the OPA from time to time. Proponents must confirm their receipt of all Addenda issued by the OPA in the Proposal Form (Appendix C).

Notwithstanding the foregoing, the OPA may choose to issue an Addendum or Addenda after the First Call Deadline for Issuing Addenda. If any Addendum is issued after the First Call Deadline for Issuing Addenda, the OPA may in its discretion extend the First Call Proposal Submission Deadline for a reasonable amount of time having regard to the circumstances.

3. Evaluation Process

The evaluation of Proposals will be conducted by the OPA in the following distinct Stages:

- **Stage 1 – Proposal Completeness Requirements Assessment:** In Stage 1, Proposals will pass or fail depending on whether the Proposal meets all of the Proposal Completeness Requirements set out in Section 3.1.
- **Stage 2 – Mandatory Requirements Assessment:** In Stage 2, Proposals will pass or fail depending on whether the Proposal meets all of the Mandatory Requirements set out in Section 3.2.
- **Stage 3 – Economic Bid Evaluation:** In Stage 3, Proposals will have their Economic Bid Statements opened and evaluated as set out in Section 3.3.
- **Stage 4 – Capacity Availability Screening:** In Stage 4, Proposals will undergo the Capacity Availability Screening Process and must pass the Capacity Availability Screen as set out in Section 3.4.
- **Stage 5 – Selection of Contract Facilities:** In Stage 5, Proposals that pass the Capacity Availability Screen will undergo the Selection of Contract Facilities process as set out in Section 3.5.

A Proposal must meet the requirements of each Stage in order to proceed to the next Stage. Those Proposals that fail Stage 1, Stage 2, that fail to comply with the requirements of the Economic Bid Statement in Stage 3, or that fail the Stage 4 screening, will be disqualified and will not be evaluated further.

3.1 Stage 1 - Proposal Completeness Requirements

Each Proposal will pass or fail in Stage 1 depending on whether it contains all the Required Forms, duly populated with relevant information by the Proponent, signed (if applicable) and submitted to the OPA (collectively, the "**Proposal Completeness Requirements**").

Proposals that do not satisfy the Proposal Completeness Requirements will not be evaluated further and will be rejected.

3.1.1 Required Forms

Completion and submission of the following forms (collectively, the "**Required Forms**") is required to meet the Proposal Completeness Requirements:

- **Proposal Form**

The completed Proposal Form in the form set out in Appendix C (including all attachments thereto) must be submitted.

- **Economic Bid Statement**

The Economic Bid Statement must be submitted in accordance with Section 2.6.3.

Disclosure by the Proponent or any member of the Proponent Team of any information contained in the Economic Bid Statement (other than the Name of Proponent, Name of Contract Facility and Nameplate Capacity), other than in the Economic Bid Statement, shall result in disqualification of the Proposal.

- **Proposal Security**

The Proposal Security must be submitted as set out in Section 2.6.3.

- **Registration Form Acceptance Notification**

A copy of the Registration Form Acceptance Notification that was delivered to the Proponent or its Parent Registered Participant by the OPA must be submitted. Where the Proponent is a Special Purpose Vehicle, the Proponent must include with the Registration Form Acceptance Notification a copy of its Articles and share register or partnership agreement and unit register or similar information, sufficient to evidence that it is the Special Purpose Vehicle of its Parent Registered Participant named in the Registration Form Acceptance Notification.

3.1.2 Optional Executive Summary

Completion and submission of an Executive Summary is not required to meet the Proposal Completeness Requirements; however, the Proponent may wish to complete and include an Executive Summary with the Proposal.

An Executive Summary would be of assistance to the OPA in developing a high-level understanding of the proposed Project and the Proponent Team. The purpose of the Executive

Summary, which should not exceed four pages, is to summarize information about the proposed Project and the Proponent Team.

The Executive Summary will be completely non-binding and will not be considered to be part of the Proposal. Proponents are cautioned not to include any information or statements in the Executive Summary that are not also specifically set out in the Proposal, as nothing in the Executive Summary will be used for purposes of evaluating the Proposal.

The Executive Summary must not include any information from the Economic Bid Statement. Disclosure by the Proponent of the Tranche 1 Net Revenue Requirement, the Tranche 2 Net Revenue Requirement, Net Revenue Requirement Indexing Factor, Operation and Maintenance Costs, Restated Tranche 1 Net Revenue Requirement or Restated Tranche 2 Net Revenue Requirement in the Executive Summary, shall result in disqualification of the Proposal.

3.2 Stage 2 - Mandatory Requirements

All Proposals that satisfy the Proposal Completeness Requirements will be assessed for Mandatory Requirements (as defined below) in Stage 2.

Each Proposal will pass or fail depending on whether it meets the following mandatory requirements (the "**Mandatory Requirements**"):

Proposals that do not satisfy all of the Mandatory Requirements will not be evaluated further and will be rejected.

The Mandatory Requirements are:

3.2.1 Proposal Form

The Proponent must use the Proposal Form in preparing its Proposal in response to this CHP IV RFP.

3.2.2 Identity of Proponent

The Proponent must be a Registered Participant as evidenced by the Registration Form Acceptance Notification from the OPA pursuant to Section 2.5.1 or be a Special Purpose Vehicle of such Registered Participant. Each Registered Participant may directly or indirectly submit only one Proposal in relation to each Registration Form Acceptance Notification.

3.2.3 Contract Facility Type

The proposed Contract Facility must be a Cogeneration Facility using only Eligible Energy Sources as its energy source. A Cogeneration Facility using an energy source, in any amount, that is not an Eligible Energy Source will not meet this Mandatory Requirement.

3.2.4 Contract Facility Development

The Proponent's statement in the Proposal Form must indicate whether the proposed Contract Facility will be a Host Developed Contract Facility.

If the Proponent's statement in the Proposal Form indicates that the proposed Contract Facility will be a Host Developed Contract Facility, the Proponent must also indicate which of the following Host Developed Contract Facility eligibility criteria the Proponent and Host satisfy:

- (a) The Proponent Controls the Host;
- (b) The Proponent and the Host are under the Common Control of a third party; or
- (c) The Host Controls the Proponent.

If the Proponent has not indicated that 1) the proposed Contract Facility will be a Host Developed Contract Facility and 2) the Proponent and Host satisfy one of the three Host Developed Contract Facility eligibility criteria listed above, the proposed Contract Facility will be deemed to be a Third Party Developed Contract Facility.

The Proponent must provide a certificate of an officer of the Proponent certifying copies of the constating documents and corporate records of the Proponent, Host and third party, if applicable, sufficient to indicate that one of the Host Developed Contract Facility eligibility criteria set out above has been satisfied.

3.2.5 Contract Facility Location

The proposed Contract Facility must (i) be located in an Eligible Area in the Province of Ontario, (ii) be connected to either the IESO-Controlled Grid, an LDC or an Electrical Host Facility, and (iii) affect supply or demand in the interconnected electricity grid in Ontario.

To satisfy this requirement, the Proponent must indicate that the proposed Contract Facility satisfies each of the above criteria and provide a map or maps showing the proposed site in relation to neighbouring roads and lands. The map shall indicate key components of the

proposed Contract Facility, including the proposed Connection Point. In addition, the Proponent must also provide a site plan and layout, as well as an electrical single line diagram showing the Connection Point of the proposed Contract Facility. The Proponent must indicate the circuit it will be connecting to in the description of the Connection Point.

The map(s) shall be utilized to confirm that the location of the proposed Contract Facility is consistent with the description of the lands set out in the documentation supporting evidence for this section as well as for site control as required in Section 3.2.7.

3.2.6 Commercial Operation Date

The Proponent must provide the Commercial Operation Date for the proposed Contract Facility in the Proposal Form (Exhibit B). The Commercial Operation Date provided must be no later than four (4) years after the First Call Completion Date.

In addition, the Proponent must state the Milestone Date for achieving Financial Closing, if applicable, in the Proposal Form or provide a written explanation of why a Milestone Date for Financial Closing is not applicable for the proposed Contract Facility.

3.2.7 Site Control

The Proponent must have, at a minimum, an enforceable option to purchase, option to lease, lease or license to use the land on which the proposed Contract Facility is to be constructed and operated. Any such option must be exercisable by the Proponent for at least 180 days after the First Call Proposal Submission Deadline. The Proponent must be able to exercise site control no later than the Milestone Date for Financial Closing, if applicable, or in the absence of such Milestone Date, no later than 18 months prior to the Milestone Date for Commercial Operation, with site control expiring no sooner than the end of the Term.

To satisfy this requirement, in addition to providing the Proponent's statement confirming its control of the site in the Proposal Form, the Proponent must provide supporting evidence of site control in the form of either:

- (a) an executed copy of an agreement entitling the Proponent to an enforceable option to lease, licence or purchase the land on which the proposed Contract Facility is to be constructed and operated,
- (b) a registered title, lease or licence for the land on which the proposed Contract Facility is to be constructed and operated, or

- (c) if the Contract Facility involves Crown resources, including Crown land for transmission, distribution and ancillary structures, written confirmation from the appropriate Ministry, or Ministries, that the Proponent has been granted the opportunity to pursue development approvals for the proposed Contract Facility in the form of a "Site Release".

The Proponent is permitted to redact pricing and other proprietary information of the Proponent from the evidence of site control, as long as this information is not needed in order for the OPA to evaluate the evidence for purposes of this requirement.

3.2.8 Identity of Host

The identity of the Host must be provided in the Proposal Form.

3.2.9 Proposed Connection

The Proponent must demonstrate that it satisfies one of the following criteria:

- (a) The Proponent has applied for an Impact Assessment for the proposed Contract Facility with the applicable Transmitter or LDC, respectively, prior to November 23, 2010 and received the completed Impact Assessment from the applicable Transmitter or LDC for the proposed Contract Facility prior to the First Call Proposal Submission Deadline.
- (b) The Proponent has applied for an Impact Assessment for the proposed Contract Facility with the applicable Transmitter or LDC, respectively, and has not received the completed Impact Assessment from the applicable Transmitter or LDC for the proposed Contract Facility prior to the First Call Proposal Submission Deadline.
- (c) The Proponent has applied for an Impact Assessment for the proposed Contract Facility with the applicable Transmitter or LDC, respectively, after November 22, 2010, has received the completed Impact Assessment from the applicable Transmitter or LDC for the proposed Contract Facility and has rescinded this Impact Assessment in writing to the applicable Transmitter or LDC.
- (d) The Proponent has contacted the applicable Transmitter (for Transmission System-connected proposed Contract Facilities) or the applicable Transmitter and LDC (for Distribution System-connected proposed Contract Facilities) to discuss an appropriate Connection Point and the availability of connection resources for the proposed Contract Facility. The Proponent must identify the time and date of such meeting(s), as well as the representative(s) from the Transmitter (and LDC as applicable) who participated.

This requirement shall be satisfied by the Proponent's statement in the Proposal Form with appropriate supporting evidence including:

- The Proponent's application to the Transmitter and/or the LDC for an Impact Assessment clearly indicating the date of application.
- The completed Impact Assessment from the Transmitter and/or the LDC with the date clearly noted.
- Written confirmation that the Proponent has rescinded its Impact Assessment from the Transmitter and/or the LDC if the Proponent has applied for an Impact Assessment as applicable for the proposed Contract Facility with the Transmitter or LDC respectively after November 22, 2010, and has received the Impact Assessment from the applicable Transmitter or the LDC.
- Written confirmation of the Proponent specifying the information referred to in Section 3.2.9(d) above.

Proponents should note that neither the applicable Transmitter nor the applicable LDC will be responsible for expediting any impact assessments for the purposes of this CHP IV RFP.

Proponents that satisfy 3.2.9(a) above and that satisfy all of the other Mandatory Requirements shall not be required to undergo the Capacity Availability Screen as described in Section 3.4.

Note that Selected Proponents other than those who qualify under Section 3.2.9(a) above, will be given prioritized time slot allocations for applying for an Impact Assessment following the First Call Process Completion Date.

3.2.10 Annual Average Contract Capacity

The proposed Contract Facility must be a single generating facility with an Annual Average Contract Capacity of greater than 20 MW.

Satisfaction of this requirement shall be determined based on the information provided by the Proponent in the Proposal Form.

Proponents must also either (i) provide the Restated Monthly Tranche 1 Contract Capacity and Restated Monthly Tranche 2 Contract Capacity, if applicable, to apply following Restatement, or (ii) indicate that they will not require Restatement provisions within their CHP IV Contract, in the Proposal Form.

3.2.11 Contract Heat Rate

The proposed Contract Facility must satisfy all of the following:

- (a) The Annual Average Tranche 1 Contract Heat Rate must not exceed 9.0 MMBtu/MWh (HHV);
- (b) The Annual Average Tranche 2 Contract Heat Rate must not exceed 11.0 MMBtu/MWh (HHV);
- (c) The Capacity Weighted Annual Average Contract Heat Rate must not exceed 9.0 MMBtu/MWh (HHV);
- (d) The Restated Annual Average Tranche 1 Contract Heat Rate, if applicable, must not exceed 11.0 MMBtu/MWh (HHV); and
- (e) The Restated Annual Average Tranche 2 Contract Heat Rate, if applicable, must not exceed 11.0 MMBtu/MWh (HHV).

Satisfaction of this requirement shall be determined based on the information provided by the Proponent in the Proposal Form.

3.2.12 Useful Heat Output Plan

The Proponent must provide a completed Useful Heat Output Plan that demonstrates that the proposed Contract Facility complies with all of the following requirements:

- (a) The thermal output from the proposed Contract Facility to be used as Useful Heat Output must meet the requirements of the definition of Useful Heat Output herein;
- (b) Third Party Development Contract Facilities must provide Useful Heat Output to a Host Facility pursuant to an Off-Take Agreement, for a term of not less than five years commencing on the Commercial Operation Date;
- (c) The Annual Average Useful Heat Output Percentage must be equal to or greater than 15% as calculated in accordance with Appendix H and the volumes of Useful Heat Output required to support such 15% must be included in the Off-Take Agreement; and
- (d) The proposed Contract Facility must meet the CHP IV RFP Heat Rate Qualification for a minimum of four contiguous months, as demonstrated in the Useful Heat Output Plan.

This requirement shall also be evidenced by the Proponent's statement in the Proposal Form and Delivery of Appendix I.

Any documents or agreements delivered pursuant to this Section 3.2.12 may be redacted to delete pricing or other proprietary information of the Proponent, so long as this information is not needed in order for the OPA to evaluate the evidence for purposes of the requirements of this Section 3.2.12.

3.2.13 Design, Construction and Operation

The proposed Facility must be designed, constructed and operated in compliance with all relevant requirements of the IESO Market Rules, the Transmission System Code, the Distribution System Code and all other laws and regulations, as applicable.

This requirement will be satisfied by Proponent's statement to this effect in the Proposal Form.

3.2.14 Not an Existing Generating Facility, Upgrade or Expansion

The proposed Facility must not be an Existing Generating Facility, an Upgrade or an Expansion.

This requirement will be satisfied by the Proponent's statement to this effect in the Proposal Form.

3.2.15 Financing Experience

For Third Party Developed Contract Facilities, the Proponent must demonstrate that it directly or indirectly has successfully financed internally or with third party financing one or more generation facilities within the last 84 months having an aggregate capital cost that is equal to or greater than \$500,000/MW multiplied by the Annual Average Contract Capacity of the proposed Contract Facility. Proponents may aggregate more than one generation facility (each of which must be 10 MW or greater) to satisfy this requirement.

To evaluate the evidence for purposes of demonstrating satisfaction of the above requirement, the Proponent must indicate the name, location, generation type (technology), size (in MW), corporate and financing structure, and date of financial close for each generation facility that it is using to meet this requirement.

For Host Developed Contract Facilities, the Proponent must demonstrate that it directly or indirectly has within the last 120 months successfully financed internally or with third party financing either (i) one or more generation facilities, or (ii) substantially similar major non-

recurring capital construction projects, in each case having an aggregate capital cost that is equal to or greater than \$500,000/MW multiplied by the Annual Average Contract Capacity of the proposed Contract Facility. Proponents may aggregate more than one generation facility (each of which must be 10 MW or greater) to satisfy the requirement in subsection 3.2.15(i).

To evaluate the evidence for purposes of demonstrating satisfaction of the above requirement in subsection 3.2.15(i), the Proponent must indicate the name, location, generation type (technology), size (in MW), corporate and financing structure, and date of financial close for each generation facility that it is using to meet this requirement.

To evaluate the evidence for purposes of demonstrating satisfaction of the above requirement in subsection 3.2.15(ii), the Proponent must outline its direct or indirect experience in successfully financing such other construction projects. The Proponent must indicate the name, location, technical complexity, project cost, corporate and financing structure, and, where applicable, date of financial close for each construction project that it is using to meet this requirement.

3.2.16 Environmental Assessment

Proponents should state the category to which the proposed Contract Facility belongs according to the Ontario Ministry of the Environment's "Guide to Environmental Assessment Requirements for Electricity Projects" dated January 2011, as referred to in O. Reg. 116/01 to the Environmental Assessment Act (Ontario) entitled "Electricity Projects". The aforementioned Guide describes three possible categories: Categories A, B, and C as follows:

- Category A (where there is no requirement for an environmental assessment under the Environmental Assessment Act);
- Category B (i.e., a Contract Facility subject to an environmental screening process);
- Category C (i.e., a Contract Facility which requires an individual environmental assessment).

The Proponent must demonstrate one or the other of the following:

- (i) That it has submitted to the Ministry of Environment (Ontario), a Statement of Completion (as defined in the Ontario Ministry of Environment's "Guide to Environmental Assessment Requirements for Electricity Projects", dated March 2011, as amended from time to time and as referred to in O. Reg 116/01 under the Environmental Assessment Act (Ontario) entitled "Electricity Projects", (the "**Guide**")) of a Screening Report (as defined in the Guide); or

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- (ii) That it:
- (a) has commenced the Environmental Review Stage (as defined in the Guide), including having published a "Notice of Commencement of an Environmental Review";
 - (b) has completed or has published public notice of at least one such consultation(s) with stakeholders as required to support the submission of the draft of the Environmental Review Report (as defined in the Guide), including:
 - identifying all interested/affected persons, aboriginal communities, and government agencies;
 - documenting how interested or affected persons, aboriginal communities, and government agencies have been notified of the proposed Project (such as receipt of the Notice of Commencement of an Environmental Review (as defined in the Guide) or other letter); and
 - identifying of how each interested or affected persons, aboriginal communities, and government agencies have been engaged and/or consulted (such as through letters, meetings, and public open house, as the case may be);
 - (c) is in the process of drafting an Environmental Review Report; and
 - (d) has obtained a report from a third party environmental consulting firm consisting of engineers, among other professionals, which has conducted a peer review of the data, technical studies and analysis prepared (or the proposed data, technical studies and analysis to be prepared) during the Environmental Review Stage on behalf of the Proponent regarding, among other issues, the potential environmental effects of the proposed Project, consultation with stakeholders and any mitigation or impact management measures to reduce or minimize such potential effects (the "**Proposed Process Review Report**"). The Proposed Process Review Report shall conclude that: (i) the "Notice of Commencement of an Environmental Review" has been published, (ii) the Proponent has completed consultations with stakeholders (or has published public notice thereof) as contemplated in 3.2.16(ii)(b) above, (iii) is in the process of drafting an Environmental Review Report, and (iv) on the basis of reasonableness and generally accepted sound environmental engineering practices, the

Proponent's environmental review process in relation to the Environmental Review Stage and drafting of the Environmental Review Report appears sound and appropriate.

Proponents should also submit (i) a description of the work already undertaken and provide any supporting documents evidencing the status of such work, and (ii) a timeline and a description of the major milestones necessary to complete the applicable environmental assessment process including any applicable federal process.

If the Proponent does not require federal or provincial environmental permits or approvals for the proposed Contract Facility or all required environmental permits or approvals have been obtained for the proposed Contract Facility, the Proponent should indicate this in the Proposal Form and provide copies of the Statement of Completion, the draft Environmental Review Report or the Environmental Review Report (as applicable) or other supporting evidence.

Proponents reaching Stage 3 that do not require environmental permits or approvals for the proposed Contract Facility or that have received all required environmental permits or approvals for the proposed Contract Facility shall be assigned an Environmental Permitting Maturity Adjustment Factor of 3% [0.03] for the purpose of determining their Adjusted Evaluated Cost as determined in Section 3.3. All other Proponents shall be assigned an Environmental Permitting Maturity Adjustment Factor of zero.

3.2.17 Municipal and Regional (Zoning) Approvals

The Proponent must demonstrate that one or more of the following requirements has been satisfied:

- (a) No amendments to any municipal official plan, regional official plan (where applicable) and zoning by-laws are required for the proposed Contract Facility; or
- (b) It has submitted complete application(s) to the required municipal approval authorities (and regional approval authorities where required) to obtain applicable amendments (including minor variances) to the official plans and the zoning by-laws for the proposed Contract Facility;

As appropriate to evaluate the evidence for purposes of demonstrating satisfaction of (a) or (b) above, Proponents should submit any supporting documentation, including, but not limited to:

- excerpts from the applicable regional and/or local municipal official plan, secondary plans (where applicable) and zoning by-laws and elaborate on the current official plan

designation and zoning that applies to the subject lands for the proposed Contract Facility;

- a description of the extent to which the proposed Contract Facility does not conform to the regional and/or local official plan or zoning by-law and what steps, if any, have been taken to amend the regional and/or local official plan, and zoning by-law to permit the development, construction and operation of the proposed Contract Facility and state the expected time frame for receiving each of such approvals;
- an indication of whether any variances will be needed to accommodate the physical features of the proposed Contract Facility, such as the stack height or foot print for example;
- a description of the processes involving the local municipality and, where applicable, the regional municipality, to obtain appropriate regional and/or local official plan amendments, including secondary plan amendments, where applicable, zoning by-law amendments, and any minor variances required in order to ensure development of the proposed Contract Facility on the subject lands; and
- a copy of the application to obtain applicable amendments that has been submitted in respect thereof.

3.2.18 Status of EPC Contract

The Proponent must demonstrate that it has a letter of intent, memorandum of understanding or other indicative pricing ("Documents") from a minimum of two unrelated proposed suppliers for one of (a) the engineering services required for the development and construction of the proposed Contract Facility, (b) procurement of one Major Item of Equipment required for the proposed Contract Facility, or (c) the construction of the proposed Contract Facility.

For purposes of demonstrating satisfaction of the above requirement, the Proponent should provide a copy of each of the Documents.

Proponents who satisfy the above requirement shall be assigned an EPC Maturity Adjustment Factor of zero for the purpose of determining their Adjusted Evaluated Cost as determined in Section 3.3. A Proponent may improve the EPC Maturity Adjustment Factor assigned to it by satisfying one of the following conditions:

- If the Proponent has an executed contract containing a Firm Commitment on pricing with an EPC contractor or with all applicable external contractors responsible for

engineering of the proposed Contract Facility, procurement of all Major Items of Equipment required for the proposed Contract Facility and construction of the proposed Contract Facility (allowing that such contracts may be conditional upon the Proponent being awarded and entering into a CHP IV Contract, as applicable, pursuant to this CHP IV RFP), the Proponent should indicate this in the Proposal Form and include the relevant documents in its Proposal. Proponents reaching Stage 3 that have satisfied this requirement shall be assigned an EPC Maturity Adjustment Factor of 2% [0.02].

- If the Proponent has an executed contract containing a Firm Commitment on pricing with an EPC contractor or applicable external contractors responsible for any two of the engineering of the proposed Contract Facility, procurement of any one Major Items of Equipment required for the proposed Contract Facility or construction of the proposed Contract Facility (allowing that such contracts may be conditional upon the Proponent being awarded and entering into a CHP IV Contract, as applicable, pursuant to this CHP IV RFP), the Proponent should indicate this in the Proposal Form and include the relevant documents in its Proposal. Proponents reaching Stage 3 that satisfy this requirement shall be assigned an EPC Maturity Adjustment Factor of 1% [0.01].

Proponents who will solely rely on in-house engineering expertise and capability and will not use external engineering resources may also satisfy either of the above noted requirements provided the Proponent outlines the commitment of in-house engineering resources to the project as well as cost and risk mitigation measures sufficient to satisfy the requirements for a Firm Commitment on pricing for engineering services.

The Proponent is permitted to redact pricing and other proprietary information of the Proponent or the counterparty from the documents referred to in this Section 3.2.18, as long as this information is not needed in order for the OPA to evaluate the evidence for purposes of satisfying the requirements of this Section 3.2.18.

3.2.19 Proposal Security

The Proposal Security must be payable to and in favour of the "**Ontario Power Authority**" in the amount of \$30,000 per MW of Annual Average Contract Capacity subject, however, to a maximum amount of \$1,000,000.

In order to satisfy this requirement the Proposal Security must be in the form of:

- an irrevocable and unconditional standby letter 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, or (iv) A with Fitch IBCA, in the form attached as Appendix E; or
- a bid bond issued by a surety with a financial strength rating of A- or higher by A.M. Best in financial size category VIII or higher, in the form attached as Appendix F.

Where the OPA becomes entitled to draw upon the Proposal Security for any reason under this CHP IV RFP or at law or in equity, including the (i) failure of the Proponent to deliver the Completion and Performance Security within eight (8) Business Days of being notified by the OPA that it is a Selected Proponent, (ii) failure of the Proponent to sign and deliver the CHP IV Contract within ten (10) Business Days of the date on which the Proponent was given the CHP IV Contract for such purpose, (iii) the Proponent has made a material misrepresentation in the Proposal, or (iv) the Selected Proponent is in breach or default of the CHP IV Contract, then the OPA shall have the right to draw upon the full amount of the Proposal Security. By submitting a Proposal, the Proponent agrees that such full amount of the Proposal Security constitutes a reasonable pre-estimate of damages that would be suffered by the OPA and that the full amount of the Proposal Security constitutes the true quantum of liquidated damages and is not a penalty.

3.3 Stage 3 – Economic Bid Evaluation

All Proposals that satisfy all of the Mandatory Requirements in Section 3.2 will have their Economic Bid Statements opened, and each such Proposal will undergo the Economic Bid Evaluation to calculate the Evaluated Cost of the Proposal. The Economic Bid Statement will also be reviewed for conformance to the Mandatory Requirements in Sections 3.2.11 and 3.2.12.

The values to be set out in the Economic Bid Statement must be entered precisely in numeric form using the format provided in Appendix D without further information, condition or qualification whatsoever. Any deviation from the required format of the Economic Bid Statement whatsoever, including, but not limited to, the provision of a price range, conditional price, qualified price, or an incomplete price, a range of values, conditional values, qualified values or incomplete values, will result in the disqualification of the Proposal. Prior to commencing the Economic Bid Evaluation, the OPA will check the Economic Bid Statement for accuracy and compliance.

Disclosure by the Proponent or any member of the Proponent Team of any of the elements of the Economic Bid Statement (other than the name of the Proponent, the name of the Contract Facility and Nameplate Capacity) elsewhere in the Proposal, or otherwise, shall result in disqualification of the Proposal.

Errors contained in a Proponent's Economic Bid Statement are the sole responsibility of the Proponent and the OPA will be unable to communicate any perceived error to a Proponent.

All financial parameters provided in the Economic Bid Statement will not be subject to any escalation or indexing between the First Call Proposal Submission Deadline and the Commercial Operation Date.

The Net Revenue Requirement, O&M Costs and, if applicable, the Restated Net Revenue Requirement will be applicable, without adjustment, on the Commercial Operation Date of the proposed Contract Facility.

3.3.1 Calculating Evaluated Costs

The Evaluated Costs will be calculated using the parameters provided in the Economic Bid Statement. A series of Prospective Market Years describing relevant market data will be used in the Economic Bid Evaluation process. The data for each Prospective Market Year will be available in the CHP IV Evaluated Cost Model, which will be made public and posted on the OPA Website at a later date.

Where the Proponent has not submitted Restated Tranche 1 Monthly Contract Heat Rates, Restated Tranche 2 Monthly Contract Heat Rates, Restated Tranche 1 Monthly Contract Capacities, Restated Tranche 2 Monthly Contract Capacities and or Restated Net Revenue Requirements, the Evaluated Cost for the proposed Contract Facility is calculated as (i) the sum of the present values, determined as of the mid-point of the first Contract Year, of the amount by which the Total Monthly Fixed Capacity Payment exceeds the Imputed Net Revenue in each Contract Year of the contract term, divided by (ii) the Annual Average Contract Capacity over the contract term (the "**Evaluated Cost Without Restatement**").

Where the Proponent has submitted Restated Tranche 1 Monthly Contract Heat Rates, Restated Tranche 2 Monthly Contract Heat Rates, Restated Tranche 1 Monthly Contract Capacities, Restated Tranche 2 Monthly Contract Capacities and or Restated Net Revenue Requirements, the Evaluated Cost for the proposed Contract Facility shall be equal to the arithmetic average of:

- (a) the Evaluated Cost Without Restatement; and

- (b) the result of a similar calculation as described above with respect to the Evaluated Cost Without Restatement, but with (i) the Tranche 1 Monthly Contract Heat Rates, Tranche 2 Monthly Contract Heat Rates, Tranche 1 Monthly Contract Capacities, Tranche 2 Monthly Contract Capacities and Net Revenue Requirements replaced by the Restated Tranche 1 Monthly Contract Heat Rates, Restated Tranche 2 Monthly Contract Heat Rates, Restated Tranche 1 Monthly Contract Capacities, Restated Tranche 2 Monthly Contract Capacities and Restated Net Revenue Requirements, as applicable, during the Earliest Restatement Year and in each subsequent year of the Term thereafter; and (ii) in addition, the Annual Average Contract Capacity over the Term will reflect the Restated Tranche 1 and Tranche 2 Monthly Contract Capacities during the Earliest Restatement Year and in each subsequent year of the Term thereafter (the "**Evaluated Cost With Restatement**").

The Evaluated Costs for all proposed Contract Facilities will be adjusted for any applicable Contract Facility maturity adjustments per Sections 3.2.16 and 3.2.18. The Adjusted Evaluated Cost for each remaining proposed Contract Facility will be determined as follows:

$$\text{Adjusted Evaluated Cost} = \text{Evaluated Cost} \times [1 - \text{Aggregate Maturity Adjustment Factor}]$$

Where:

$$\text{Aggregate Maturity Adjustment Factor} = [\text{EPMAF} + \text{EPCMAF}]$$

EPMAF = Environmental Permitting Maturity Adjustment Factor

EPCMAF = EPC Maturity Adjustment Factor

3.4 Stage 4 – Capacity Availability Screening

Upon calculating the Adjusted Evaluated Cost for each proposed Contract Facility for which sufficient and appropriate parameters are available from the Proponent's Economic Bid Statement as described in Section 3.3, the OPA will conduct a Capacity Availability Screen in accordance with this Section 3.4.

Proponents that satisfy the requirement in Section 3.2.9(a) above and that reach Stage 4 shall not be required to undergo the Capacity Availability Screen as described in this Section 3.4 and will progress directly to Stage 5 – Selection of Contract Facilities in Section 3.5.

The OPA's target for processing Applications in accordance with this Section 3.4 is 15 days.

- (a) All proposed Contract Facilities will be assessed in order of Adjusted Evaluated Cost such that, to the extent that more than one proposed Contract Facility requires the same connection resource or allocation of remaining available capacity, those proposed Contract Facilities with a lower Adjusted Evaluated Cost will be assessed in priority to proposed Contract Facilities with a higher Adjusted Evaluated Cost. Co-ordination of this prioritization within the CHP IV RFP evaluation process will be achieved by ranking the proposed Contract Facilities from lowest Adjusted Evaluated Cost to the highest Adjusted Evaluated Cost.
- (b) The OPA, along with the IESO and applicable Transmitters, will determine whether the Transmission System has sufficient connection resources to accommodate the connection of the proposed Contract Facility. As necessary, the OPA will also coordinate with any applicable LDCs and confirm such LDCs' determination as to whether the applicable Distribution System has, or will have sufficient connection resources to accommodate the connection of the proposed Contract Facility. In both cases such determination will have regard to all Proposals in Stage 4 having a lower Adjusted Evaluated Cost and also the following: (i) applications for projects under the OPA's CESOP Program submitted during the launch period for that program; (ii) contracts for Feed-in Tariff projects under the OPA's Feed-In Tariff Program; and (iii) any other generating facilities that are existing, committed or are the subject of a ministerial direction. As necessary, this process will occur in coordination with other OPA connection availability processes, including the "Transmission Availability Test" and "Distribution Availability Test", which are run pursuant to the OPA's Feed-in Tariff Program.
- (c) If the analysis in Section 3.4(b) determines that there are sufficient Transmission System and Distribution System resources necessary to accommodate the connection of the proposed Contract Facility, the proposed Contract Facility will be deemed to have passed the Capacity Availability Screen and shall proceed to Stage 5 – Selection of Contract Facilities in Section 3.5.
- (d) If the analysis in Section 3.4(b) determines that there are insufficient Transmission System or Distribution System resources available to accommodate the connection of the Project, the OPA will reject the proposed Contract Facility.

3.5 Stage 5 – Selection of Contract Facilities

The ultimate stage of the Evaluation Process will select proposed Contract Facilities from those Proponents that (i) have passed the Capacity Availability Screen, or (ii) reach Stage 4 and have satisfied the requirement in Section 3.2.9(a), based on the Adjusted Evaluated Cost of the proposed Contract Facility.

3.5.1 Initial Stack of Proposals

The OPA may, at its sole and absolute discretion, apply the CHPSOP Equivalency Threshold to the proposed Contract Facilities. Any Contract Facility with an Evaluated Cost that exceeds the CHPSOP Equivalency Threshold will not be selected for inclusion in the Initial Stack.

Proposed Contract Facilities that have passed the Capacity Availability Screen will be progressively selected for inclusion in the Initial Stack from the lowest to highest Adjusted Evaluated Cost up to, but not including the marginal proposed Contract Facility, such that the cumulative Annual Average Contract Capacity of the selected proposed Contract Facilities prior to any Restatement does not exceed the First Call Target Capacity.

The OPA reserves the right to select the marginal proposed Contract Facility that would result in the cumulative Annual Average Contract Capacity of the selected proposed Contract Facilities prior to any Restatement surpassing the Target Capacity for inclusion in the Initial Stack.

Any proposed Contract Facilities not selected for inclusion in the Initial Stack through this process or the application of the CHPSOP Equivalency Threshold will be set aside (a "**Set Aside Proposed Contract Facility**").

3.5.2 Intermediate Stack of Proposals

Following creation of the Initial Stack, the proposed Contract Facilities will be reviewed for inclusion in the Intermediate Stack based on their Adjusted Evaluated Cost.

If the Adjusted Evaluated Cost for a proposed Contract Facility in the Initial Stack is more than Threshold% of the weighted average Adjusted Evaluated Cost of the other proposed Contract Facilities in the Initial Stack with lower Adjusted Evaluated Costs, then the OPA may reject such proposed Contract Facility and all other proposed Contract Facilities with higher Adjusted Evaluated Costs.

In undertaking the review described in the preceding paragraph, the OPA will initially utilize a Threshold% equal to 125%. After completing this initial review, the OPA may, at its sole and

absolute discretion, repeat the review described in the preceding paragraph utilizing a Threshold% equal to 115%.

The Stack of proposed Contract Facilities remaining after the process will constitute the Intermediate Stack.

3.5.3 Final Stack of Proposals

If the OPA rejects any proposed Contract Facilities in the development of the Intermediate Stack as described in Section 3.5.2, the Intermediate Stack will constitute the Final Stack.

If the OPA does not reject any proposed Contract Facilities in the development of the Intermediate Stack as described in Section 3.5.2, it may, at its sole and absolute discretion, choose one or more of any Set Aside Proposed Contract Facilities for inclusion with the Intermediate Stack in the Final Stack starting with the proposed Contract Facility with the lowest Adjusted Evaluated Cost. If the OPA chooses to include the Set Aside Proposed Contract Facility with the lowest Adjusted Evaluated Cost for inclusion in the Final Stack, it may, at its sole and absolute discretion, choose the Set Aside Proposed Contract Facility with the next lowest Adjusted Evaluated Cost for inclusion in the Final Stack and so on, in a step-wise manner for each Set Aside Proposed Contract Facility. The process of including Set Aside Proposed Contract Facilities for inclusion in the Final Stack may continue, at the sole and absolute discretion of the OPA, up to and including the Set Aside Proposed Contract Facility (that is, the marginal selected proposed Contract Facility) at which the cumulative Annual Average Contract Capacity of the selected proposed Contract Facilities will meet or exceed the CHP IV Target Capacity. A Set Aside Proposed Contract Facility cannot be selected for inclusion in the Final Stack unless all other Set Aside Proposed Contract Facilities with lower Adjusted Evaluated Costs have been selected for inclusion in the Final Stack. The stack of proposed Contract Facilities remaining after this process will form the Final Stack.

3.5.4 Selected Proponents

Those Proponents whose Proposals are included in the Final Stack will be the Selected Proponents.

4. Limited Negotiations

4.1 Additional Services

A Proponent may include in its Proposal in a separate sealed envelope marked "**Additional Services Proposal**", a proposal in the form of Appendix L to offer to supply from the Contract Facility certain Additional Services. The Additional Services Proposal shall specify the precise nature of the Additional Services being offered and the price (as an addition to the NRR of the Contract Facility in the Economic Bid Statement) at which such Additional Services are being offered. Following the execution and delivery of the CHP IV Contract and the Completion and Performance Security to the OPA, the OPA will open and review the Additional Services Proposal. In its sole and absolute discretion the OPA may elect to accept, reject or offer to negotiate the terms of any Additional Service offered in such Additional Services Proposal. If the OPA elects to accept or negotiate the terms of any Additional Service in the Additional Services Proposal, any resulting agreement will be evidenced by an amendment to the CHP IV Contract. For greater certainty, as the Additional Services Proposal will not be opened and reviewed until after execution and delivery by the Selected Proponent of its CHP IV Contract and the delivery of the Completion and Performance Security, the Additional Services Proposal will have no bearing upon the evaluation of Proposals whatsoever.

5. Terms and Conditions

5.1 General Terms and Conditions

- (a) Except where expressly set out to the contrary in this CHP IV RFP, all Submissions shall become the property of the OPA and shall not be returned to the Proponent.
- (b) For the purpose of determining time of receipt of any Submission, the clock at the prescribed location for submission shall govern.
- (c) The onus remains solely with the Proponent to instruct courier and delivery personnel to deliver Submissions to the relevant specified location by the relevant Submission Deadline.
- (d) All Submissions must be complete in all respects at the time of submission.

5.2 Definitions

Capitalized terms used in this CHP IV RFP have the respective meanings ascribed to them in the definitions set out in Appendix A. Unless otherwise indicated, references to sections and appendices are references to sections and appendices in this CHP IV RFP.

For the purposes of this CHP IV RFP, whenever a definition refers to the CHP IV Contract, which in turn incorporates Exhibit J of the CHP IV Contract, it will be interpreted as including Schedule J as populated with the information contained in the Proponent's Economic Bid Statement or Proposal Form, as applicable.

5.3 CHP IV RFP Documents

The following materials form part of, and are incorporated into, this CHP IV RFP:

- (i) the body of this CHP IV RFP;
- (ii) Appendices A – M;
- (iii) the CHP IV Contract; and
- (iv) Addenda.

Any conflict or inconsistency between the body of this CHP IV RFP, the Appendices or any Addenda 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 CHP IV RFP; and
- (iii) Appendices A – M.

All other information (including responses to questions or comments, information provided in Information Sessions and Supporting Material) is provided for information purposes only, does not form part of this CHP IV RFP and are not binding on the OPA.

Any conflict or inconsistency between the terms of this CHP IV RFP and any Proposal shall be resolved by interpreting such documents in the following order from highest priority to lowest priority:

- (i) this CHP IV RFP; and
- (ii) the Proposal,

where this CHP IV RFP shall govern over the Proposal to the extent of any conflict or inconsistency.

Upon a Proponent entering into a CHP IV Contract with the OPA the terms of the CHP IV Contract shall exclusively govern the relationship between the Parties in respect of the Contract Facility.

5.4 Cancellation or Return of Proposal Security

For each Proponent whose Proposal fails Stage 1 or Stage 2, the applicable Proposal Security will be cancelled or returned within 20 Business Days of the Proponent being notified of the Proposal's failure.

For each Proponent whose Proposal passes Stage 2 but is not selected in Stage 5, or is rejected in Stage 3 or 4, the applicable Proposal Security will be returned or cancelled within 20 Business Days of the First Call Process Completion Date.

For each Selected Proponent, the applicable Proposal Security will be cancelled or returned upon delivery of the Completion and Performance Security due under the terms of the CHP IV Contract.

5.5 CHP IV Parties to Bear All Costs

CHP IV Parties will bear all costs and expenses in connection with their participation in this CHP IV RFP, including any costs incurred in the review of this CHP IV RFP and any expert advice required in responding to this CHP IV RFP. The OPA and its advisors shall not be liable to pay any CHP IV Party costs under any circumstances. In particular, the OPA will not reimburse any CHP IV Party in any manner whatsoever in the event of rejection of any or all Proposals or in the event of the cancellation of this CHP IV RFP. By submitting any Submission in response to this CHP IV RFP, each Registered Participant or Proponent irrevocably and unconditionally waives any claims against the OPA and its advisors relating to the Registered Participant's or Proponent's costs and expenses. Further, the OPA will not, and is under no obligation to, reimburse any CHP IV Party who becomes a Registered Participant, whether or not such Registered Participant submitted a Proposal, with the exception of the provisions outlined in Section 5.4.

5.6 Verification

All statements, information and documentation submitted as part of the Proposal are subject to verification and enforcement in accordance with the terms of this CHP IV RFP and the CHP IV Contract. If such statements, information or documentation are determined by the OPA to be incorrect or misleading, the OPA reserves the right to reject a Proposal or to otherwise re-evaluate the Proponent's compliance with the Mandatory Requirements in Stage 2, to revise any adjustments to Adjusted Evaluated Cost awarded to the Proposal in Stage 2, to revise the Adjusted Evaluated Cost for the Proposal that was determined in Stage 3, to reassess the Capacity Availability Screening in Stage 4 and/or to revise the Proposal's ranking in Stage 5.

5.7 Reserved Rights of the OPA

The OPA reserves the right to:

- (a) make public the names of any or all Registered Participants and Proponents;
- (b) request written clarification or the submission of supplementary written information from any Proponent and incorporate a Proponent's response to that request for clarification into the Proponent's Proposal;

- (c) meet with some or all Proponents to discuss aspects of their Proposals;
- (d) verify with any Proponent, or with a third party, any information set out in a Proposal;
- (e) contact any party that provided financing, including obtaining information on such party whether directly from the party or a third party;
- (f) disqualify any Proponent whose Proposal contains misrepresentations or any other inaccurate or misleading information;
- (g) disqualify any Proponent or the Proposal of any Proponent who has, or its Parent Registered Participant has, engaged in conduct prohibited by this CHP IV RFP;
- (h) make changes, including substantial changes, to this CHP IV RFP provided that those changes are issued by way of Addenda in the manner set out in this CHP IV RFP;
- (i) cancel this CHP IV RFP process at any stage;
- (j) cancel this CHP IV RFP process at any stage and issue a new RFP for the same or similar deliverables;
- (k) reject any or all Proposals;
- (l) accept only one Proposal; 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 OPA shall not be liable for any expenses, costs, losses or any direct or indirect damages incurred or suffered by any CHP IV Party, any Proponent or any third party resulting from the OPA exercising any of its express or implied rights under this CHP IV RFP.

By submitting its Proposal, the Proponent authorizes the collection by the OPA of any information required in connection with the evaluation of a Proposal.

5.8 Legal Liability for Material Breach of CHP IV RFP

The Registered Participants and Proponents agree that if the OPA commits a material breach of this CHP IV RFP, the OPA's liability to the Proponent and Registered Participants, as applicable, and the aggregate amount of damages recoverable against the OPA 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 OPA, shall be no greater than the Proposal preparation costs that the Proponent and Registered Participant seeking damages from the OPA can demonstrate, were actually incurred.

5.9 Not A Tender Until Registration

This CHP IV RFP does not constitute a tender call with respect to any Person other than Registered Participants and Proponents.

No contract or agreement of any kind is formed under or arises from the submission of a Registration Form.

5.10 CHP IV Contract

All Selected Proponents shall sign the CHP IV Contract, in the final form circulated by the OPA prior to the First Call Proposal Submission Deadline and shall deliver such other closing documents (such as certificates of status, officer's certificates and opinions of counsel) as the OPA requests.

5.11 Changes Not Permitted

No changes in any matter identified in the Proposal which, as a consequence of such change, would result in the Proposal being inaccurate in any material respect, would result in the Proposal not meeting the Stage 2 Mandatory Requirements or would change the results of Stages 3, 4 or 5 shall be permitted between the First Call Proposal Submission Deadline and the execution of the CHP IV Contract. Any substitution made without the consent of the OPA will result in disqualification of the Proposal.

5.12 No Exclusivity of Contract

The CHP IV Contract(s) executed with Suppliers will not be exclusive contract(s) for the provision of CHP facilities. The OPA may contract with others for the same or similar facilities or may otherwise obtain the same or similar facilities by other means.

5.13 Compliance

If, in the sole discretion of the OPA, a Proposal does not comply with the requirements set out in this CHP IV RFP, the OPA shall, without liability, cost or penalty, disqualify the Proposal and the Proposal shall not be given any further consideration. For purposes of this CHP IV RFP, "**comply**" and "**compliance**" mean that the Proposal conforms to the requirements of this CHP IV RFP without material deviation. A "**material deviation**" is one that, in the sole discretion of the OPA,

- affects the Proponent's or OPA's obligations or rights in any material way;
- affects the obligations or rights of other Proponents or potential Proponents under this CHP IV RFP; or
- results in a failure to satisfy a material component of any requirement set out in this CHP IV RFP.

For the purpose of clarity, each Proponent acknowledges and agrees that the OPA's evaluation of compliance with the CHP IV RFP is not an evaluation of absolute compliance and that the OPA may waive failures to comply that, in the OPA's sole discretion, do not constitute a material deviation in accordance with this Section.

5.14 Governing Law of this CHP IV RFP

This CHP IV 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.

APPENDIX A DEFINITIONS

The definitions of those capitalized terms and acronyms utilized in this CHP IV RFP, unless otherwise stated to be definitions contained in the CHP IV Contract are provided below.

TERM OR ACRONYM	DEFINITION
Addendum	Means any addendum issued by the OPA and identified as an " Addendum to CHP IV RFP ".
Additional Services	Means (i) "Black Start" which refers to the ability of a generator to restart its facility with no external source of power. This feature is of value during times of system-wide blackout, in which case such facilities would be needed to re-energize other parts of the grid. Monthly testing to establish availability is required; and (ii) "Regulation Service" (also referred to as Frequency Regulation) which refers to the fine-tuning of short-term imbalances between system generation and load. Smoothing out fluctuations in output and frequency requires response times on the scale of seconds to minutes. To provide this service facilities must have automatic generation control (AGC). This enables the IESO to directly control the service to meet system needs without requiring manual action.
Adjusted Evaluated Cost	Has the meaning given to in Section 3.3.1.
A.M. Best	Has the meaning given to it in the CHP IV Contract.
Annual Average Contract Capacity	Has the meaning given to it in the CHP IV Contract.
Annual Average Tranche 1 Contract Capacity	Has the meaning given to it in the CHP IV Contract.
Annual Average Tranche 2 Contract Capacity	Has the meaning given to it in the CHP IV Contract.

TERM OR ACRONYM	DEFINITION
Annual Average Useful Heat Output Percentage	Means the simple average of the Monthly Useful Heat Output Percentage for each month as provided in the Useful Heat Output Plan.
Biomass	Has the meaning given to it in the CHP IV Contract.
BTU or Btu	Has the meaning given to it in the CHP IV Contract.
Business Day	Has the meaning given to it in the CHP IV Contract.
Capacity Weighted Annual Average Contract Heat Rate	<p>Means the result of the following calculation:</p> $CWAACHR = ([AAT1CC \times AAT1CHR] + [AAT2CC \times AAT2CHR]) / AACC$ <p>where:</p> <p>CWAACHR = Capacity Weighted Annual Average Contract Heat Rate</p> <p>AAT1CC = Average Annual Tranche 1 Contract Capacity</p> <p>AAT1CHR = Average Annual Tranche 1 Contract Heat Rate</p> <p>AAT2CC = Average Annual Tranche 2 Contract Capacity</p> <p>AAT2CHR = Average Annual Tranche 2 Contract Heat Rate</p> <p>AACC = Annual Average Contract Capacity</p>
CHP	Has the meaning given to it in Section 1.1.
CHP IV Contract	Means a CHP IV Contract executed between a Supplier and the OPA.
CHP IV Contract Receipt Date	Has the meaning given to it in Section 2.7.
CHP IV Party	Means any Registered Participant (including any member of their project team and advisors), Proponent and members of its Proponent Team.
CHP IV RFP	Has the meaning given to it in Section 1.1.

TERM OR ACRONYM	DEFINITION
CHP IV RFP Heat Rate Qualification	<p>The proposed Contract Facility meets the heat rate qualification for cogeneration or specified-waste fuelled systems required for Class 43.1 capital cost allowances under the relevant regulations and schedules contained in the Income Tax Act (Canada), as detailed in Section 1.4 of the Class 43.1 Technical Guide for Energy Conservation and Renewable Energy Equipment, 1998 Edition (the "Guide") published by Natural Resources Canada.¹</p> <p>The net useful heat (H) as referred to in Section 1.4 of the Guide and used for the heat rate qualification should represent the Useful Heat Output from the proposed Contract Facility.</p> <p>The consumption of fossil fuels (HHV basis, not including any of the specified-waste fuels) chargeable to the gross electricity generated, which is the total fossil energy less the net useful heat energy and less applicable losses, divided by gross electricity generated, must not exceed 6,000 Btu/kWh (6,330 kJ/kWh).</p>
CHP IV Target Capacity	Has the meaning given to it in Section 2.2.
CHPSOP	Means the OPA's Combined Heat and Power Standard Offer Program for CHP facilities up to 20 MW.
CHPSOP Equivalency Threshold	An Evaluated Cost based on a proposed Contract Facility with its Net Revenue Requirements, Monthly Tranche 1 Contract Heat Rate, Variable O&M and Start-up Gas as per the Virtual Power Plant Parameters for a Seasonal UHO Facility under the OPA's CHPSOP and with zero Tranche 2 Monthly Contract Capacity and no Restatement during the Term.
Class 43.1 Capital Cost Allowance	Means Schedule II of the Income Tax Act (Canada) that allows taxpayers accelerated write-off for certain capital expenditures on equipment that is designed to produce energy in a more efficient way or produce energy from alternative renewable sources.

¹ Natural Resources Canada. 1998. Class 43.1 Technical Guide for Energy Conservation and Renewable Energy Equipment and Technical Guide to Canadian Renewable and Conservation Expenses. Ottawa: Natural Resources Canada.

TERM OR ACRONYM	DEFINITION
Cogeneration Facility	Has the meaning given to it in the CHP IV Contract.
Commercial Operation	Has the meaning given to it in the CHP IV Contract.
Commercial Operation Date	Has the meaning given to it in the CHP IV Contract.
Common Control	Means in relation to more than one Person that such Persons are Controlled directly or indirectly by the same Person.
Completion and Performance Security	Has the meaning given to it in the CHP IV Contract.
Conflict of Interest	Means any situation or circumstance where, in relation to this CHP IV RFP process, the Proponent has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including (i) having or having access to information in the preparation of its Proposal that is confidential to the Ontario Power Authority or the Government of Ontario and not available to other Proponents; (ii) communicating with any official or representative of the Ontario Power Authority or the Government of Ontario or members of the OPA with a view to influencing preferred treatment in this CHP IV RFP process; or (iii) engaging in conduct that compromises or could be seen to compromise the integrity of the open and competitive CHP IV RFP process and render that process non-competitive and unfair.
Connection Point	Has the meaning given to it in the CHP IV Contract.
Contract Facility	Has the meaning given to it in the CHP IV Contract.
Contract Year	Has the meaning given to it in the CHP IV Contract.
Control	Has the meaning given to it in the CHP IV Contract.
DBRS	Has the meaning given to it in the CHP IV Contract.

TERM OR ACRONYM	DEFINITION
Deadline for Issuing Addenda	Means the date and time on the Timetable or as amended in accordance with this CHP IV RFP.
Deadline for Registration (First Call)	Means the deadline for registration under this CHP IV RFP as set out in the Timetable.
Delivered	Has the meaning given to it in the CHP IV Contract.
Delivery Point	Has the meaning given to it in the CHP IV Contract.
Distribution System	Has the meaning given to it in the CHP IV Contract.
Distribution System Code	Has the meaning given to it in the CHP IV Contract.
Dollar, dollar or \$	Has the meaning given to it in the CHP IV Contract.
Economic Bid Evaluation	Means the economic evaluation set out in Section 3.3.
Economic Bid Statement	Means the form of Economic Bid Statement set out in Appendix D.
Electrical Host Facility	Has the meaning given to it in the CHP IV Contract.
Electricity	Has the meaning given to it in the CHP IV Contract.
Eligible Area	Has the meaning given to it in Appendix K.
Eligible Application of Useful Heat Output	Means use for a commercial or industrial purpose such as district energy, manufacturing, mining, chemical or other industrial process, where such use: (a) avoids or reduces the use of fuel to produce thermal energy in an alternate process; and (b) is not a use within the Contract Facility's combined heat and power cycle for gas turbine injection, inlet conditioning, fuel heating, natural gas compression or other similar purpose; and (c) is not a use outside the Contract Facility's combined heat and power cycle for applications such as heating rivers, lakes or the atmosphere; and (d) is not used for generating Electricity directly or indirectly.
Eligible Energy Source	Has the meaning ascribed thereto in the CHP IV Contract.

TERM OR ACRONYM	DEFINITION
Environmental Permitting Maturity Adjustment Factor	Means the adjustment to Evaluated Costs provided for in Section 3.2.16.
EPC	Means engineering, procurement and construction.
EPC Maturity Adjustment Factor	Means the adjustment to Evaluated Costs provided for in Section 3.2.18.
EPT	Means Eastern Prevailing Time.
Evaluated Cost	Means the evaluated costs of a Proposal determined pursuant to Section 3.3.
Evaluated Cost With Restatement	Has the meaning given to it in Section 3.3.1.
Evaluated Cost Without Restatement	Has the meaning given to it in Section 3.3.1.
Excluded Purposes	Has the meaning given to it in Section 2.4.2.
Existing Generating Facility	Means an electricity generating facility, and ancillary lands required by such generating facility, whose generating equipment is commercially operational and is connected to the IESO-Controlled Grid, Transmission System, Distribution System or Electrical Host Facility prior to November 23, 2010. For greater certainty, an electricity generating facility is considered to be commercially operational if it receives market revenues and has operated for more than 500 hours per year in any of the past three years.

TERM OR ACRONYM	DEFINITION
Expansion	Means an addition of generating unit(s) to an Existing Generating Facility which: (i) is intended to either replace or add to any generating equipment that operates, or had operated within 12 months of the date of submission of the Proposal, at the Existing Generating Facility, (ii) generates electricity output either in addition to or in place of the electricity output of other generating units that operate or operated at the Existing Generating Facility, (iii) does not have separate revenue grade meters that conform with the contract requirements and are dedicated to measuring the electrical output of the added generators and that are accessible to OPA; (iv) includes any of the electricity generating capacity available from the Existing Generating Facility; or (v) will have its Useful Heat Output commingled with thermal energy from another source within the Contract Facility or the Host Facility.
Facility	Has the meaning given to it in the CHP IV Contract.
Fairness Advisor	Means the person who is retained by the OPA to provide (i) enhanced assurance to Proponents and other stakeholders that the evaluation process is fair and transparent, and (ii) a written statement that attests that the procurement process was conducted in an objective and fair manner.
First Call Process Completion Date	Means the date provided in the Timetable for the First Call Process Completion.
Final Stack	Means the final stack of Proposals determined as specified in Section 3.5.
Financial Closing	Has the meaning given to it in the CHP IV Contract.
Fitch IBCA	Has the meaning given to it in the CHP IV Contract.

TERM OR ACRONYM	DEFINITION
Firm Commitment	<p>Means a binding commitment which states, at a minimum, the proposed price for such goods or services, a description thereof and the proposed delivery date or proposed start and stop date, as applicable, subject to the satisfaction of specific objective conditions. The commitment should clearly describe any and all of such objective conditions. Objective conditions are those conditions which require the achievement of certain milestones or the provision of information to the party and such conditions are informational in nature, and would not provide the contracting party with broad discretion regarding the determination of fulfillment of the conditions.</p> <p>Those conditions that provide the contracting party with broad discretion to approve the fulfillment of the condition will not be considered objective.</p>
First Call Target Capacity	Means 200 MW.
First Call Proposal Submission Deadline	Means the date and time indicated in the Timetable or as amended in accordance with this CHP IV RFP.
GAAP	Has the meaning given to it in the CHP IV Contract.
Gas Price Index	Has the meaning given to it in the CHP IV Contract.
Government of Ontario	Has the meaning given to it in the CHP IV Contract.
HHV	Has the meaning given to it in the CHP IV Contract.
HOEP	Has the meaning given to it in the CHP IV Contract.
Host	Has the meaning given to it in the CHP IV Contract.
Host Developed Contract Facility	Has the meaning given to it in the CHP IV Contract.
Host Facility	Has the meaning given to it in the CHP IV Contract.

TERM OR ACRONYM	DEFINITION
IESO	Has the meaning given to it in the CHP IV Contract.
IESO-Controlled Grid	Has the meaning given to it in the CHP IV Contract.
IESO Market Rules	Means the rules made under section 32 of the Electricity Act, 1998 (Ontario), as amended from time to time.
Impact Assessment	Has the meaning given to it in the CHP IV Contract.
Imputed Net Revenue	Has the meaning given to it in the CHP IV Contract.
include or including	Means including without limitation.
Individual Information Sessions	Has the meaning given to it in Section 2.5.3.
Initial Stack	Means the initial stack of Proposals determined as specified in Section 3.5.
Intermediate Stack	Means the intermediate stack of Proposals determined as specified in Section 3.5.
kJ	Means kilojoule.
kW	Means kilowatt.
kWh	Means kilowatt-hour.
LDC	Has the meaning given to it in the CHP IV Contract.
Letter of Credit Form	Means the form attached as Appendix E
Major Item of Equipment	Means a gas turbine, steam turbine, a generator or a heat recovery steam generator.
Mandatory Requirements	Has the meaning given to it in Section 3.2.
Milestone Dates	Has the meaning given to it in the CHP IV Contract.

TERM OR ACRONYM	DEFINITION
Ministerial Directive	Has the meaning set out in Section 1.2.
Ministry of Energy, Ministry of Natural Resources and Ministry of the Environment	Refers to the each applicable Ministry of the Province of Ontario.
MMBTU	Means one million BTUs.
Month	Has the meaning given to it in the CHP IV Contract.
Monthly Useful Heat Output Percentage	Has the meaning given to it in the CHP IV Contract.
Moody's	Has the meaning given to it in the CHP IV Contract.
MW	Means megawatt.
MWh	Means megawatt-hour.
Nameplate Capacity	Has the meaning given to it in the CHP IV Contract.
Net Revenue Requirement, or NRR	Has the meaning given to it in the CHP IV Contract.
Net Revenue Requirement Indexing Factor, or NRRIF	Means the Net Revenue Requirement Indexing Factor set out in the Economic Bid Statement, and expressed as a decimal figure between 0.00 and 0.20.

TERM OR ACRONYM	DEFINITION
Non-Collusion Requirements	<p>Means requirements that a Proponent:</p> <ul style="list-style-type: none"> (a) not be involved in determining pricing of a Proposal of another Proponent; and (b) not coordinate its Proposal with any other Registered Participant or Proponent; (c) keep and continue to keep its Proposal confidential until receiving written confirmation from the OPA that the First Call Process Completion Date has occurred; (d) subject to (e), ensure that no member of its Proponent Team has entered into any agreement or arrangement with any other Proponent or any member of its Proponent Team which may directly or indirectly affect the Proposal(s) submitted by the Proponent or the other Proponent; (e) in the case of any agreement or arrangement with arm's-length (as defined in the Income Tax Act (Canada)) third party suppliers, or with third party licensed and regulated gas transporters or distributors (whether or not arm's length), that may be members of another Proponent Team, ensure that: (i) no member of its Proponent Team has entered into any agreement or arrangement with any such third party which may affect the Proposal(s) submitted by the Proponent or the other Proponent by lessening competition, and (ii) any and all such third parties shall be subject to legally enforceable obligations to keep any information which may affect the Proposal(s) submitted by the Proponent or the other Proponent confidential; and <p>ensure that no member of its Proponent Team engages 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); and any other non-collusion requirements contained in this CHP IVRFP.</p>
O&M Costs	Has the meaning given to it in the CHP IV Contract.

TERM OR ACRONYM	DEFINITION
OEB	Has the meaning given to it in the CHP IV Contract.
Off-Take Agreement	Means the sale and purchase agreement, letter of intent, or other form of Firm Commitment between the Proponent and the Host to sell and purchase Useful Heat Output from the proposed Contract Facility.
OPA	Has the meaning given to it in the CHP IV Contract.
OPA Website	Means the Generation Procurement section of the OPA website, dedicated to this CHP IV RFP, located at www.powerauthority.on.ca
Parent Registered Participant	Means, in relation to a specific Special Purpose Vehicle, the Registered Participant that owns all of the issued capital of or all of the capital interests in, such Special Purpose Vehicle.
Period of Irrevocability	Has the meaning given to it in Section 2.6.5.
Prohibited Conduct	Means any activity or communication by a Proponent or any member of its Proponent Team that results in a Conflict of Interest, collusion or a violation of any of the civil or criminal provisions of the Competition Act (Canada).
Project	Means the undertaking of a Proponent described in its Proposal, including, without limitation, the Contract Facility and the Facility.
Proponent	Means a Registered Participant or its Special Purpose Vehicle, who submits a Proposal in response to and in accordance with this CHP IV RFP and who is responsible to develop, finance, own and operate the proposed Contract Facility.

TERM OR ACRONYM	DEFINITION
Proponent Team	Means, collectively, a Proponent and all entities and persons involved in the preparation of the Proponent's Proposal(s) under this CHP IV RFP and/or required by the Proponent to successfully implement its Proposal(s) for this CHP IV RFP and to comply with the CHP IV Contract. For greater certainty, members of the Proponent Team shall include the Proponent and the Proponent's technical, financial and legal advisors, and any other person otherwise assisting the Proponent in the preparation of its Proposal(s), but shall not include any lenders or any technical or legal advisors to such lenders.
Proposal	Means the documents and information required to be submitted by the Proponent pursuant to Section 2.6.3.
Proposal Completeness Requirements	Has the meaning given to it in Section 3.1.
Proposal Form	Means the form attached as Appendix C.
Proposal Security	Means the financial security submitted with the Proposal as described in Section 3.2.19.
Proposed Process Review Report	Has the meaning given to it in Section 3.2.16.
Prospective Market Year	Means a combination of prospective HOEP, 1, 2 and 3 hour pre-dispatch prices and prospective Gas Price Index provided for each hour in a typical week for each of the twelve calendar months to be used for the purpose of Economic Bid Evaluation. For greater certainty, the information provided for a Prospective Market Year is not intended to be a forecast by the OPA or its advisors.
Registration Fee	Has the meaning given to it in Section 2.5.1.
Registration Form	Means the registration form attached to the CHP IV RFP as Appendix B

TERM OR ACRONYM	DEFINITION
Registration Form Acceptance Notification	Has the meaning given to it in Section 2.5.1.
Registered Participant	Means the person, legal entity, group of persons or group of legal entities identified as the Registered Participant in the Registration Form which has been accepted by the OPA and in respect of which the OPA has sent a Registration Acceptance Notification.
Required Form	Means any form attached as Appendices B to G and I, K and M.
Restated Annual Average Contract Capacity	Means the sum of the Annual Average Restated Tranche 1 Contract Capacity and the Annual Average Restated Tranche 2 Contract Capacity.
Restated Annual Average Tranche 1 Contract Capacity	Has the meaning given to it in the CHP IV Contract.
Restated Annual Average Tranche 2 Contract Capacity	Has the meaning given to it in the CHP IV Contract.
Restated Tranche 1 Monthly Contract Heat Rate	Has the meaning given to it in the CHP IV Contract.
Restated Tranche 2 Monthly Contract Heat Rate	Has the meaning given to it in the CHP IV Contract.
Restated Net Revenue Requirement, or RNRR	Has the meaning given to it in the CHP IV Contract.
Restatement	Has the meaning given to it in the CHP IV Contract.
Restatement Date	Has the meaning given to it in the CHP IV Contract.
S&P	Has the meaning given to it in the CHP IV Contract.

TERM OR ACRONYM	DEFINITION
Second Call Target Capacity	Means 100 MW.
Selected Proponent	Means a Proponent whose Proposal has been selected and accepted by the OPA, in accordance with this CHP IV RFP.
Set Aside Proposed Contract Facility	Has the meaning given to it in Section 3.5.1.
Stages	Means Stages 1, 2, 3, 4 and 5.
Stage 1	Means the stage of the OPA's evaluation of Proposals set out in Section 3.1.
Stage 2	Means the stage of the OPA's evaluation of Proposals set out in Section 3.2.
Stage 3	Means the stage of the OPA's evaluation of Proposals for purposes set out in Section 3.3.
Stage 4	Means the stage of the OPA's evaluation of Proposals set out in Section 3.4.
Stage 5	Means the stage of OPA's evaluation of Proposals set out in Section 3.5.
Special Purpose Vehicle	Means, in relation to a specific Registered Participant, a corporation all of the issued capital of which is owned by the Registered Participant or a partnership (including a limited partnership) all of the capital interests in which are owned by the Registered Participant and, in each case, no other party has any legal or beneficial interest or entitlement therein or thereto.
Submission	Means the Registration Form, the Registration Fee or the Proposal, as the context may require.
Submission Deadline	Means the Deadline for Registration (First Call), or the First Call Proposal Submission Deadline, as the context may require.

TERM OR ACRONYM	DEFINITION
Supplier	Has the meaning given to it in the CHP IV Contract.
Systems Impact Assessment	Has the meaning given to it in the CHP IV Contract.
Term	Has the meaning given to it in the CHP IV Contract.
Term Commencement Date	Has the meaning given to it in the CHP IV Contract.
Third Party Developed Contract Facility	Means a proposed Contract Facility which does not comply with the definition of a Host Developed Contract Facility or does not meet the requirements outlined in Sections 3.2.4.
Threshold %	Has the meaning given to it in Section 3.5.2.
Timetable	Means the Timetable set forth in Section 2.2.
Tranche 1 Monthly Contract Heat Rate	Has the meaning given to it in the CHP IV Contract.
Tranche 2 Monthly Contract Heat Rate	Has the meaning given to it in the CHP IV Contract.
Transmission System	Has the meaning given to it in the CHP IV Contract.
Transmission System Code	Has the meaning given to it in the CHP IV Contract.
Transmitter	Has the meaning given to it in the CHP IV Contract.
Upgrade	Means the refurbishment or replacement of generating equipment at an Existing Generating Facility with equipment which provides better or improved performance. For greater certainty, generating equipment consists of the prime mover (reciprocating engine, gas turbine, steam turbine etc.) and/or the associated electrical generator, but for greater certainty does not include boilers or other associated balance of plant.

TERM OR ACRONYM	DEFINITION
Useful Heat Output	Has the meaning given to it in the CHP IV Contract.
Useful Heat Output Percentage	Has the meaning given to it in Section 4.0 of Appendix H.

APPENDIX B REGISTRATION FORM



Appendix B - Registration Form

Any information provided in this form will be kept confidential by the OPA and will not be used in the evaluation of Proposals. We request that all Participants wishing to register as Registered Proponents under this CHP IV RFP complete this Registration Form and submit it to the OPA by the date and time indicated in the Timetable in Section 2.2 of the CHP IV RFP, together with the Registration Fee of \$10,000 (plus HST) (HST Registration Number 85419 5039 RT0001). All Registration Fees must be paid by way of certified cheque or a bank draft from an institution listed in Schedule I or II of the Bank Act (Canada) and made out in favour of "Ontario Power Authority".

Parties that do not submit a completed Registration Form and the Registration Fee to the OPA will not be eligible to participate in the CHP IV procurement process including submitting a Proposal in response to this CHP IV RFP.

Complete and print this form and submit along with the Registration Fee to the OPA. OPA office is located at:

120 Adelaide Street West, Suite 1600
 Toronto, Ontario
 M5H 1T1
 Attention: CHP IV Procurement Team

Registered Participant:					
Participant's Primary Contact Person					
First and Last Name:					
Title:					
Mailing Address:					
City/Town:		Province:		Postal Code:	
Phone Number:		Ext:		Fax Number:	
Email Address:					
Proposed Contract Facility details					
Proposed Contract Facility name:					
Proposed Contract Facility address:	Mailing Address:				
	City/Town:				
	Postal Code:		Province:	Ontario	
State Eligible Energy Source:					
Annual Average Contract Capacity (MW):					
Useful Heat Output (UHO) (MW _{thermal}):					
UHO description (usage):					



Appendix B - Registration Form

General description of proposed Contract Facility and process:					
Description of the proposed Contract Facility Connection Point including distribution or transmission station and feeder line:					
Is the proposed Contract Facility connected to an Electrical Host Facility (behind-the-meter)?					
<input type="radio"/> Yes		<input type="radio"/> No, <i>proposed Contract Facility will be directly Distribution or Transmission connected</i>			
If Yes, name of Electrical Host Facility:					
Mailing Address:					
City/Town:		Province:	Ontario	Postal Code:	
Description of Electrical Host Facility:					
Indicate preferred Individual Information Session meeting times:					
Option 1:					
Option 2:					
Option 3:					

Signature (*per authorized signing officer*)

Name (*please print*)

Title

Date

I/we have the authority to bind the Participant

APPENDIX C PROPOSAL FORM

APPENDIX D ECONOMIC BID STATEMENTS

APPENDIX E PROPOSAL SECURITY (LETTER OF CREDIT FORM)

DATE OF ISSUE:	[Insert Date]
APPLICANT:	[Insert Proponent's Name]
BENEFICIARY:	Ontario Power Authority
AMOUNT:	•
EXPIRY DATE:	[Insert Expiry Date, being the first anniversary of the date of issue]
EXPIRY PLACE:	Toronto Counters of the issuing financial institution
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 (Canada)]
TYPE:	Irrevocable and Unconditional Standby Letter Of Credit Number:

We hereby authorize you to draw on **[insert name of Bank and Bank's address]** in respect of irrevocable and unconditional standby letter of credit No. • (the "**Credit**"), for the account of the Applicant up to an aggregate amount of \$• (Canadian dollars) available by your drafts at sight, accompanied by the Beneficiary's signed certificate stating that:

"The Proponent, whose Proposal has been selected and accepted by the Beneficiary, **[has failed to deliver the Completion and Performance Security within eight (8) Business Days of being notified by the Beneficiary that it is a Selected Proponent,]** or **[fails to sign and deliver the CHP IV Contract within ten (10) Business Days of the date on which the Proponent was given the CHP IV Contract to sign,]** or **[has made a material misrepresentation in the Proposal,]** or **[is in breach or default of the CHP IV RFP]** and therefore the Beneficiary is entitled to draw upon the Credit in the amount of the draft attached hereto. All capitalized terms used in this certificate that have not been defined herein have the meanings ascribed to them in the CHP IV RFP." **[as applicable]**

Drafts drawn hereunder must bear the clause "**Drawn under irrevocable and unconditional Standby Letter of Credit No. [insert number]** issued by **[the bank]** dated **[insert date]**".

This Credit is issued in connection with the Request for Proposals for approximately 300 MW of combined heat and power generation issued by the Ontario Power Authority dated •, 2011, as amended (the "**CHP IV RFP**") and the Proposal dated [insert date of Proposal] submitted by the Applicant in response thereto (the "**Proposal**").

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 then current term, that it does not wish to extend this Letter of Credit for an Additional Term.

We agree with you that all drafts drawn under, and in compliance with the terms of this Credit will be duly honoured, if presented at the counters of **[insert the bank]** in Toronto, **[insert bank's address]** at or before 5:00 p.m. (EPT) on or before [insert the expiry date].

This Credit is subject to the International Standby Practices ISP 98, International Chamber of Commerce publication No. 600 and, as to matters not addressed by the 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 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 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."

[BANK OR QUALIFIED FINANCIAL INSTITUTION]

By: _____

AUTHORIZED SIGNATORY

APPENDIX F PROPOSAL SECURITY (BID BOND FORM)

Bond No.: ●

Bond Amount:\$(●)

[Insert Proponent's name] as Principal, hereinafter called the Principal, and **[insert Surety's name]** a corporation created and existing under the laws of **[insert originating jurisdiction]** and duly authorized to transact the business of Suretyship in the Province of Ontario as Surety, hereinafter called the Surety, are held and firmly bound unto the Ontario Power Authority as Obligee, hereinafter called the Obligee, in the amount of ●/100.00 Dollars (\$●) of lawful money of Canada, for the payment of which sum the Principal and the Surety binds itself, its heirs, executors, administrators, successors and assigns, jointly and severally.

WHEREAS, the Principal has submitted a written proposal to the Obligee dated the [insert date of Proposal], hereinafter called the Proposal, for the development and operation of an electrical generating facility in the Province of Ontario, in response to a Request for Proposals for up to 300 MW of combined heat and power generation issued by the Ontario Power Authority dated ●, 2011, as amended, hereinafter called the CHP IV RFP. All capitalized terms used in this Bid Bond that have not been defined herein have the meanings ascribed to them in the CHP IV RFP.

The condition of this obligation is that the Principal has failed to deliver the Completion Performance Security within eight (8) Business Days of being notified by the Ontario Power Authority that it is a Selected Proponent, or fails to sign the CHP IV Contract within ten (10) Business Days of the date on which the Principal is given the CHP IV Contract to sign, or has made a material misrepresentation in the Proposal, or is in breach or default of the CHP IV RFP, in which case the Principal and the Surety will pay unto the Obligee the entire amount of the Bid Bond; otherwise, this obligation shall be null and void.

The Principal and the Surety shall not be liable for a greater sum than the Bond Amount.

Any suit under this Bond must be instituted before the expiration of twelve (12) months from the date of this Bond.

No right of action shall accrue hereunder to or for the use of any person or corporation other than the Obligee named herein, or the successors or assigns of the Obligee.

The Surety confirms that as of the date of this Bond, it has a financial strength rating of A- or higher by A.M. Best in financial size category VIII or higher.

IN WITNESS WHEREOF, the Principal and the Surety have signed and sealed this Bond this ● day of ●, 2011.

[PRINCIPAL]

By:

Name: ●

Title: ●

I/we have the authority to bind the Proponent.

[SURETY]

By:

Name: ●

Title: ●

I/we have the authority to bind the Proponent.

APPENDIX G PROPOSAL DELIVERY LABEL

(Full Legal Name and Address of Proponent)

NAME

RFP No.: CHP IV RFP-2011

NAME

ADDRESS

CONTACT

PHONE NO.

FAX NO.

E-MAIL ADDRESS

ONTARIO POWER AUTHORITY

120 ADELAIDE STREET WEST

SUITE 1600

TORONTO, ONTARIO

M5H 1T1

ATTENTION: CHP IV 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 Qualification Submissions to the exact floor location specified above by the Qualification Submission Deadline. Interested parties assume sole responsibility for late deliveries if these instructions are not strictly adhered to.

APPENDIX H USEFUL HEAT OUTPUT PLAN

Pursuant to Section 3.2.12 of the CHP IV RFP, the Proponent is hereby submitting this completed Useful Heat Output Plan to the OPA. Capitalized terms not defined herein have the meanings given to them in the CHP IV RFP.

Name of Proponent	
Name of Proposed Contract Facility	
Name of Host Facility	

The following information should be provided as an attachment to this document.

1.0 Application of Useful Heat Output

- 1.1 Provide a description of proposed application of Useful Heat Output in sufficient detail to allow for a determination that the thermal energy output from the Project satisfies the definition of Useful Heat Output.
- 1.2 Provide basic schematic(s) that include the following:
 - General arrangement of all major equipment for the Project including, if applicable, major equipment used in the supply of thermal energy to the Host Facility (e.g. auxiliary boilers).
 - Project and proposed Contract Facility boundaries clearly identified (e.g. dashed-line boxes)
 - Energy flow schematic, including all relevant energy flows in and out of the Project and proposed Contract Facility boundaries (e.g. fuel supply, electrical output, thermal supply & return).
 - Proposed energy flow metering points at proposed Contract Facility boundary and if applicable, at the Project boundary.

2.0 Quantity of Useful Heat Output

2.1 Provide the Useful Heat Output Percentage for the proposed Contract Facility in tabular form as set out below based on the methodology described in Section 4.0 of this Appendix H.

January	February	March	April	May	June	July	August	September	October	November	December

2.2 Provide heat and mass balance diagrams and supporting calculations for each month based on anticipated Contract Facility operation that demonstrate the proposed Contract Facility’s ability to meet or exceed the Useful Heat Output Percentage given in Section 2.1 above.

2.3 Provide evidence of the Host Facility’s anticipated thermal load for each Month, including its anticipated peak and average loads, along with any relevant historical data and supporting calculations that demonstrate the proposed Contract Facility’s ability to meet or exceed the Useful Heat Output Percentage given in Section 2.1 above.

2.4 For proposed Contract Facilities that are deemed to be a Third Party Developed Contract Facility according to Section 3.2.4 of the CHP IV RFP, provide a copy of the Off-Take Agreement with the Host Facility and supporting calculations to demonstrate 1) that the rate of Useful Heat Output to be delivered to the Host Facility will support the Useful Heat Output Percentage given in Section 2.1 above, and 2) compliance with Section 3.2.12(b) of the CHP IV RFP.

3.0 Compliance with CHP IV RFP Heat Rate Qualification

Based on the information regarding the quantity of Useful Heat Output provided in response to Section 2.0 above, provide supporting calculations to demonstrate that the proposed Contract Facility meets the CHP IV RFP Heat Rate Qualification for a minimum of four contiguous months.

4.0 Determination of Useful Heat Output Percentage

The Useful Heat Output Percentage (expressed as a percentage for a given period) shall be based on following calculation:

$$\text{Useful Heat Output Percentage} = (\text{MWh}_{\text{thermal}}) \div (\text{MWh}_{\text{electrical}} + \text{MWh}_{\text{thermal}})$$

Where:

$\text{MWh}_{\text{thermal}}$ is the Useful Heat Output produced by the proposed Contract Facility during anticipated Contract Facility operation for such period.

$\text{MWh}_{\text{electrical}}$ is the electrical energy Delivered by the proposed Contract Facility as measured at the Delivery Point, net of any losses, station service requirements or other parasitic electrical loads arising on the proposed Contract Facility side of the Delivery Point, during anticipated Contract Facility operation for such period.

And where:

$$\text{MWh}_{\text{thermal}} = \sum M_e \times H_e - \sum M_r \times H_r - \sum M_i \times H_i$$

Where:

M_e is the mass flow of heat exported from the combined heat and power cycle

H_e is the enthalpy of heat exported from the combined heat and power cycle

M_r is the mass flow of heat returned to the combined heat and power cycle

H_r is the enthalpy of heat returned to the combined heat and power cycle

M_i is the mass flow of heat externally added to the combined heat and power cycle

H_i is the enthalpy of heat externally added to the combined heat and power cycle

e , r , i denote respectively the number of export, return and import processes in the combined heat and power cycle.

APPENDIX I STATUTORY DECLARATION (PROPOSAL VALIDITY, SECURITY, CHP IV HEAT RATE QUALIFICATION AND NON-COLLUSION)

PROVINCE OF ONTARIO

TO WIT

IN THE MATTER OF a proposal dated •, 2011 to which this Declaration forms an integral part (the "**Proposal**") prepared by • (the "**Proponent**"), and submitted in response to a Request for Proposals for up to 300 MW of Combined Heat and Power Supply issued by the Ontario Power Authority and dated •, 2011, as amended (the "**CHP IV RFP**")

I, •

OF THE •

IN THE •

SOLEMNLY DECLARE THAT

- (a) I am the • of the Proponent and as such, have knowledge of the matters declared below, and am duly authorized by the Proponent to execute this declaration. All capitalized terms used in this declaration, unless otherwise stated, have the meanings ascribed to them in the CHP IV RFP.

PROPOSAL VALIDITY AND PROPOSAL SECURITY

All statements, specifications, data, confirmations and other information that have been set out in the Proposal, including, without limitation, the Proposal Form, are complete and accurate in all material respects.

The Proposal is valid, irrevocable, and open for acceptance, until 5:00 P.M. (EPT) on the ninetieth (90th) day after the First Call Proposal Submission Deadline.

The Proponent has consented, pursuant to subsection 17(3) of the Freedom of Information and Protection of Privacy Act (Ontario), to the disclosure, on a confidential basis, of the Proposal by the OPA to the OPA and the OPA's advisors retained for the purpose of evaluating or participating in the evaluation of the Proposal.

The Proponent has received and reviewed the CHP IV RFP issued by the OPA, together with any and all addenda thereto either posted on the OPA Website or mailed to the Proponent from time to time, up to and including the First Call Deadline for Issuing Addenda on [●] and other subsequent addenda.

The Proponent has received and reviewed the final CHP IV Contract issued by the OPA, together with any and all addenda thereto either posted on the OPA Website or mailed to the Proponent from time to time, up to and including the First Call Deadline for Issuing Addenda on [●], and has agreed to be bound by the terms of the CHP IV Contract including any security that may be required under the CHP IV Contract.

Neither the Proponent, the proposed Contract Facility described in the Proposal, nor any member of the Proponent Team is the subject of any bona fide legal proceedings, investigation or regulatory hearings that could materially impact the financial condition of the Proponent or any of the entities involved in financing and operations for the proposed Contract Facility.

The Proponent has agreed that the OPA shall be able to draw upon the full amount of the Proposal Security if the Proponent, having become a Selected Proponent, has failed to sign the CHP IV Contract, or has failed to deliver the Completion and Performance Security to the OPA within the time required as set forth in the CHP IV RFP, or has made a material misrepresentation in the Proposal, or is in breach or default of the CHP IV RFP.

CHP IV HEAT RATE QUALIFICATION

The proposed Contract Facility will, when completed, meet the requirements of the CHP IV Heat Rate Qualification including, without limitation, the Useful Heat Output requirement and will satisfy the requirements of the definition of Useful Heat Output in the CHP IV RFP.

NON-COLLUSION

I acknowledge and represent that no person, firm or corporation, nor any person representing the Proponent and/or participating in the submission of the Proposal, has directly or indirectly entered into any discussion, communication, agreement or arrangement with any other proponent, whereby the Proponent, in order to induce acceptance of the Proposal by the OPA, has paid or is to pay or provide to any other proponent anything of value, and that the Proponent has not, directly or indirectly entered into any discussion, communication, arrangement or agreement with any other Proponent or Proponents that could have the effect of reducing competition in respect of the subject matter of the CHP IV RFP.

In preparing this Proposal, only the following individuals [**state names of individuals**] were involved in determining pricing of this Proposal (whether as a member of its Proponent Team or otherwise), no other individuals were so involved and such specified individuals were not involved in determining pricing of the Proposal of any other Proponent Team, unless the Proponent of such other Proponent Team is the same as, is owned as to 50% or more by, is Controlled by or is under Common Control with, the Proponent making this Proposal, in which case, employees of the Proponent and an entity which Controls the Proponent and such other Proponent may be involved in determining pricing of a Proposal of such other Proponent Team, and in which case names of such individuals and details of such other Proposal(s) are as set out below:

Name	Other Proposal(s)

Except in accordance with the foregoing, the Proponent:

- (a) has not coordinated its Economic Bid Statement or any other aspect of any of its Proposal(s) with any other Proponent Team; and
- (b) has kept and will continue to keep the Proposal confidential until the First Call Process Completion Date.

No member of its Proponent Team has entered into any agreement or arrangement with any member of any other Proponent Team, which may, directly or indirectly, affect the Economic Bid Statement or any other aspect of any Proposal submitted by the Proponent and/or any other Proponent Team.

Neither the Proponent nor any member of its Proponent Team has engaged in any Prohibited Conduct.

AND I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DECLARED BEFORE ME)
at the ● of ●,)
in the [County/Region] of ●, on ●.)
)
)
)
_____) _____
Commissioner for taking affidavits) Name

APPENDIX J CONFLICT OF INTEREST DECLARATION

PROVINCE OF ONTARIO

TO WIT

IN THE MATTER OF a proposal dated •, 2011 to which this Declaration forms an integral part (the "**Proposal**") prepared by • (the "**Proponent**"), and submitted in response to a Request for Proposals for up to 300 MW of Combined Heat and Power Supply issued by the Ontario Power Authority and dated •, 2011, as amended (the "**CHP IV RFP**")

I, •

OF THE •

IN THE •

SOLEMNLY DECLARE THAT

I am the • of the Proponent and as such, have knowledge of the matters declared below, and am duly authorized by the Proponent to execute this declaration. All capitalized terms used in this declaration, unless otherwise stated, have the meanings ascribed to them in the CHP IV RFP.

By checking one of the following boxes that applies, I confirm that:

"**NO**" - there is not, nor was there, any actual or potential Conflict of Interest relating to the preparation of the Proposal.

"**YES**" - there is, or was, an actual or potential Conflict of Interest relating to the preparation of the Proposal.

The following is a list of actual or potential Conflicts of Interest relating to the preparation of the Proposal or the performance of the contractual obligations contemplated in the CHP IV RFP:

In submitting the Proposal, the Proponent has /has no *[Note to Proponent: Strike out the inapplicable portion]* knowledge of or ability to avail itself of confidential information of the Crown in right of Ontario or the OPA (other than confidential information which may have been disclosed by the OPA to the Proponents in the normal course of the CHP IV RFP) which is relevant to the CHP IV RFP or the Proposal.

AND I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

DECLARED BEFORE ME)
at the ● of ●,)
in the [County/Region] of ●, on 2008.)
)
)
)
)
)
_____) Name _____
Commissioner for taking affidavits

APPENDIX K ELIGIBILITY AREAS

GREATER TORONTO AREA (GTA)				
Halton	Peel	Toronto	York	Durham
Burlington, City of	Brampton, City of	Toronto, City of	Aurora, Town of	Ajax, Town of
Halton Hills, Town of	Caledon, Town of		East Gwillimbury, Town of	Brock, Township of
Milton, Town of	Mississauga, City of		Georgina, Town of	Clarington, Municipality of
Oakville, Town of			King, Township of	Oshawa, City of
			Markham, Town of	Pickering, City of
			Newmarket, Town of	Scugog, Township of
			Richmond Hill, Town of	Uxbridge, Township of
			Vaughan, City of	Whitby, Town of
			Whitchurch-Stouffville, Town of	

KITCHENER, WATERLOO, CAMBRIDGE & GUELPH (KWCG)			
Waterloo	Wellington	Guelph	Oxford
Cambridge, City of	Erin, Town of	Guelph, City of	Blandford-Blenheim, Township of
Kitchener, City of	Guelph/Eramosa, Township of		East Zorra-Tavistock, Township of
North Dumfries, Township of	Puslinch, Township of		Ingersoll, Town of
Waterloo, City of			Norwich, Township of
Wellesley, Township of			South-West Oxford, Township of
Wilmot, Township of			Tillsonburg, Town of
Woolwich, Township of			Woodstock, City of
			Zorra, Township of

HAMILTON				
Hamilton	Brant	Brantford	Haldimand County	Norfolk County
Hamilton, City of	Brant, County of	Brantford, City of		

KINGSTON
Frontenac
Kingston, City of

LONDON	
Middlesex	Elgin
London, City of	Central Elgin, Municipality of
Thames Centre, Municipality of	St. Thomas, City of
	Aylmer, Town of
	Malahide, Township of
	Bayham, Municipality of



Reset

Print

Appendix L Additional Services

A Proponent may include in its Proposal in a separate sealed envelope marked "Additional Services Proposal" a proposal to offer to supply certain Additional Services by indicating the Additional Services being offered and the price (as an addition to the NRR of the Contract Facility in the Economic Bid Statement).

Name of Proponent:	
Name of proposed Contract Facility:	

Description of Additional Service	Net Revenue Requirement (NRR) (\$/MW-month)
Additional Service (indicate name):	
Additional Service (indicate name):	

Additional Information

The undersigned acknowledges and agrees that it has carefully reviewed all of the information provided in this Additional Services proposal including without limitation, all values and their corresponding units of measures, and confirm all of the same to be complete and accurate.

By:

Signature (per authorized signing officer)

Name

Title

By:

Signature (per authorized signing officer)

Name

Title