

DRAFT FOR DISCUSSION

IESO LONG-LEAD-TIME CAPACITY SERVICES
(LLT(C)) REQUEST FOR PROPOSALS

[NTD: All features described in this draft are subject to ongoing policy and technical discussions with government and industry stakeholders and will be subject to Ministerial Directive.]

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SECTION 1 – INTRODUCTION

1.1 Independent Electricity System Operator

- (a) The Independent Electricity System Operator (the “**IESO**”) works at the heart of Ontario’s power system as the system operator, directing the flow of electricity across the grid and administering the wholesale electricity market. It sets the hourly Ontario electricity price and ensures there is enough power to meet the province’s energy needs in real time. The IESO works with stakeholders and communities across the province to plan and secure energy for the future, as well as to guide conservation efforts in Ontario. The IESO has a role in planning for and competitively procuring resources that meet Ontario’s needs today and into the future. These may be met through diverse resources such as wind, solar, hydro, biomass, nuclear, natural gas, demand response, conservation, storage or other innovative technologies.
- (b) The IESO is governed by an independent board of directors that is appointed by the Government of Ontario. Its fees and license are set by the Ontario Energy Board (the “**OEB**”) and it operates independently of all other participants in the electricity market.
- (c) Credit ratings for the IESO have been issued by Moody’s and DBRS Morningstar. Additional information about the IESO can be obtained from www.ieso.ca.

1.2 Purpose and Background of the LLT(c) RFP

- (a) After more than a decade of strong supply, Ontario is entering a period of emerging electricity system needs, driven by increasing demand, the refurbishment of nuclear generating units, as well as expiring contracts for existing facilities. Recognizing the necessity to address these needs in a timely, cost-effective and flexible manner, the IESO has engaged with stakeholders in the development of a resource adequacy framework. As Ontario’s electricity system evolves to become more diverse and dynamic, procurement processes must evolve along with it. The resource adequacy framework published on the IESO’s website targets robust competitive processes that focus on cost-effective reliability, while more effectively balancing ratepayer and supplier risk in this changing environment.
- (b) As set out in the directive of the Ontario Minister of Energy and Mines issued to the IESO pursuant to subsection 25.32 of the Electricity Act dated ● (the “**Ministerial Directive**”), this Long-Lead-Time Capacity Services RFP (the “**LLT(c) RFP**”) is intended to competitively procure up to **[800]** MW **[NTD: fixed target to be confirmed]** of year-round capacity services (the “**Target Capacity**”), on a Maximum Contract Capacity basis from

LLT Capacity Projects, provided that no more than 200 MW of the Target Capacity may be procured on a Maximum Contract Capacity basis from LLT Capacity Projects utilizing Class II LDES Technology (the “**Class II LDES Cap**”).

- (c) The Selected Proponents of the LLT(c) RFP are required to enter into a Long-Lead-Time Capacity Services Contract in the form set out in APPENDIX B (the “**LLT(c) Contract**”) with the IESO for a commitment period commencing on the Commercial Operation Date of LLT Capacity Project as set out in the LLT(c) Contract and expiring on the fortieth (40th) anniversary of the Commercial Operation Date (the “**Commitment Period**”).

1.3 Defined Terms and Statutory References

- (a) Capitalized terms used in this LLT(c) RFP have the respective meanings ascribed to them in APPENDIX A. Terms and acronyms used in this document that are italicized have the meanings ascribed in *Chapter 11* of the Market Rules available on the IESO’s website.
- (b) Capitalized terms used in Section 2.2 but not otherwise defined in this LLT(c) RFP have the meanings given to them in the LLT(c) Contract.
- (c) Unless otherwise expressly stipulated, any reference in this LLT(c) RFP to the Market Rules or to a statute or to a regulation or rule promulgated under a statute or to any provision of a statute, regulation or rule shall be a reference to the Market Rules, statute, regulation, rule or provision as amended, supplemented, re-enacted or replaced from time to time.

SECTION 2 – ELIGIBILITY AND CONTRACTUAL REQUIREMENTS

2.1 Eligibility Requirements

- (a) *Team Member Experience*
 - (i) The Proponent shall meet the Team Member Experience set out in this Section 2.1(a).
 - (ii) The Proponent for any proposed LLT Capacity Project must have:
 - (A) at least two (2) Designated Team Members who have experience in the Planning, Developing, Financing, Constructing, or Operating of at least one (1) Qualifying Project, where such individual had managerial authority in respect of such functions, such that, collectively, at least two (2) Designated Team Members have such managerial experience on a Qualifying Project across all five of the

categories of Planning, Developing, Financing, Constructing and Operating; and

- (B) in respect of proposed LLT Capacity Project utilizing Class II LDES Technology, in addition to the requirements set out in Section 2.1(a)(ii)(A) above, at least two (2) Designated Team Members that have had managerial authority in respect of Planning and Developing of at least one (1) Same Technology Qualifying Project such that, collectively, at least two (2) Designated Team Members have such managerial experience on a Same Technology Qualifying Project across both the categories of Planning and Developing,

(collectively, the “**Team Member Experience**”). The Designated Team Members used to satisfy the requirement set out in Section 2.1(a)(ii)(B) may be the same Designated Team Members used to satisfy the requirement set out in Section 2.1(a)(ii)(A). For greater certainty, the experience of the Designated Team Members does not need to have been earned with the same Proponent or Control Group Member, or in respect of the same Qualifying Project or the same Same Technology Qualifying Project.

- (iii) The Team Member Experience claimed for each Designated Team Member submitted as a part of the Prescribed Form: Proponent Information, Declarations and Workbook (Capacity) pursuant to Section 2.1(a)(ii) must be supported by an accompanying statutory declaration of an officer of the Proponent in respect of the information submitted in respect of Team Member Experience.

- (b) *Single Person*

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

- (c) *LLT Capacity Project*

- (i) Each Proponent shall make the necessary investments to successfully develop, own, operate and maintain an Electricity Storage Facility with a Nameplate Capacity equal to or larger than ten (10) MW, that: (A) is a New Build and provides dispatchable capacity services to meet system reliability needs; (B) is directly connected to a Distribution System or a Transmission System in Ontario; (C) is capable of being registered under the Market Rules as a *registered facility* other than as *variable generation*, or as a *self-scheduling generation facility*; (D) is capable of continuously delivering the Contract Capacity to a Connection Point for at least

eight (8) consecutive hours during the Qualifying Hours; (E) uses Eligible LDES Technology as its sole means of storing and delivering Electricity withdrawn from the Connection Point; (F) has Withdrawal Capability that is equal to or greater than the Nameplate Capacity; and (G) in the case of a Regulation Ready-Required Facility, is capable of meeting the Regulation Services Readiness Requirements (an “**LLT Capacity Project**”), should they be offered an LLT(c) Contract. Each Proposal must be specific to a single LLT Capacity Project. Where an LLT Capacity Project is the subject of a Proposal under this LLT(c) RFP, such LLT Capacity Project may not, during the period between the submission of the Proposal and the conclusion of this LLT(c) RFP, be the subject of a proposal submitted under any other procurement process administered by the IESO.

- (ii) For any Proposal where the LLT Capacity Project uses Class II LDES Technology, the Proposal must include a Class II LDES Independent Engineer Certificate as a part of the Prescribed Form: Class II LDES Independent Engineer Certificate (Capacity).
- (iii) Proponents are reminded of the necessity to comply with Laws and Regulations, including for greater certainty the Distribution System Code, the Transmission System Code, the Market Rules and requirements of any applicable Municipalities, local service boards, conservation authorities, Indigenous Communities or other applicable authorities, as each may be applicable to their LLT Capacity Project. Proponents should be aware of required approvals, including environmental and municipal approvals, which may be required prior to construction of their resources, if applicable.
- (iv) Proponents are reminded of the important role that effective engagement with Indigenous and local communities, including Municipalities, play in the successful planning, development and operation of their Electricity resources and must be prepared to undertake their appropriate role in such engagement and address the interests or concerns of such communities in good faith and in compliance with Laws and Regulations. Proponents are encouraged to conduct early engagement with all Municipalities and Indigenous Communities that may be impacted by their proposed LLT Capacity Project and to inform such communities of the proposed location of the Project Site as early as possible. Proponents are also reminded that certain permits and approvals for a proposed LLT Capacity Project may trigger consultation requirements with Indigenous Communities.

- (v) For any Proposal where the Project Site is proposed to be located in whole or in part on Indigenous Lands, the Proposal must include an Indigenous Support Confirmation as a part of the Prescribed Form: Evidence of Indigenous Support (Capacity), which Indigenous Support Confirmation must (among other things) confirm the delivery of a Pre-Engagement Confirmation Notice to the applicable Local Body Administrator dated no later than sixty (60) days prior to the date of the Indigenous Support Confirmation.
- (vi) For any Proposal where the Project Site is proposed to be located in whole or in part on Municipal Lands, the Proposal must include a Municipal Support Confirmation as a part of the Prescribed Form: Evidence of Municipal Support (Capacity), which Municipal Support Confirmation must (among other things) confirm the delivery of a Pre-Engagement Confirmation Notice to the applicable Local Body Administrator no later than sixty (60) days prior to the date of the Municipal Resolution in Support of a Proposal Submission or the applicable Blanket MS Confirmation Letter, as the case may be.
- (vii) For any Proposal in respect of a Provincial Crown Land Project, the Proponent must submit a letter from the Ontario Ministry of Natural Resources substantially in accordance with the form set out in Exhibit C of the Prescribed Form: Access Rights Declaration (Capacity), confirming that a completed Provincial Crown Land Site Report Form has been submitted by the Proponent and has the “acknowledgement” by the Ontario Ministry of Natural Resources in respect of the applicable lands as required by section [●] of the Ministerial Directive (an “**MNR Confirmation Letter**”). Additionally, any Proposal in respect of a Provincial Crown Land Project must include a Provincial Crown Land Shapefile mapping the boundary of the Project Site (and, separately, that of any included Proposal PQ Alternates) that is consistent with Project Site information included in the Provincial Crown Land Site Report Form as part of the Prescribed Form: Access Rights Declaration (Capacity).
- (viii) For any Proposal in respect of a Federal Crown Land Project, the Proponent must submit either (A) a copy of the valid survey permit from the Parks Canada Agency in respect of the applicable lands (a “**Survey Permit**”) or (B) an existing executed lease in favour of the Proponent in respect of the applicable lands, attached as Exhibit G of the Prescribed Form: Access Rights Declaration (Energy). Additionally, any Proposal in respect of a Federal Crown Land Project must include one or more Federal Crown Land Shapefiles mapping the boundary of the portions of the Project Site that are

located on federal Crown lands (and separately, that of any included Proposal PQ Alternates) that is consistent with Project Site information included in the Survey Permit or executed lease (as applicable) as part of the Prescribed Form: Access Rights Declaration (Capacity).

- (ix) For any Proposal where the Project Site is proposed to be located, in whole or in part on Unincorporated Territory, the Proponent must submit a letter from a Land Use Planner addressed to the Proponent and the IESO, that includes the seal or certificate of such Land Use Planner issued by the Ontario Professional Planners Institute, confirming that the Project Site (or applicable portion of the Project Site) is located on Unincorporated Territory (a “**Confirmation of Unincorporated Territory**”) as part of the Prescribed Form: Confirmation of Unincorporated Territory (Capacity).

(d) *Agricultural Lands*

- (i) The Project Site in respect of an LLT Capacity Project may not include any lands located in areas designated as Specialty Crop Areas as of the Proposal Submission Deadline.
- (ii) Where the Project Site in respect of an LLT Capacity Project includes any lands located in areas designated as Prime Agricultural Areas as of the Proposal Submission Deadline, the Proponent shall:
 - (A) as a part of the Prescribed Form: Evidence of Municipal Support (Capacity) provide confirmation from the Local Municipality that the AIA Component One Requirement has been completed to the satisfaction of the Local Municipality; and
 - (B) if selected as a Selected Proponent, pursuant to the LLT(c) Contract complete an AIA Components Two and Three Requirement and provide confirmation from the Local Municipality that such an AIA Components Two and Three Requirement has been completed to the satisfaction of the Local Municipality as described in further detail below.

(e) *[Supply Chain Disclosure Plan*

- (i) Each Proposal shall include a “**Supply Chain Disclosure Plan**”, set out in the Prescribed Form: Supply Chain Disclosure Plan (Capacity), which shall:

- (A) provide the list of the anticipated goods, materials, equipment, labour and services that are expected to comprise the Capital Cost;
 - (B) identify whether, as of the Proposal Submission Deadline, the Proponent reasonably anticipates being able to source such item from Canadian-Status Supply Chain Participants; and
 - (C) identify the estimated value thereof as a percentage of the estimated Capital Cost.
- (ii) If selected as a Selected Proponent, the Proponent agrees to maintain and provide regular reports on its implementation efforts with respect to the Supply Chain Disclosure Plan pursuant to, and in accordance with, the LLT(c) Contract.]

[Note to Proponents: Potential further mechanisms and requirements for the use of locally sourced inputs are under ongoing development and subject to the Ministerial Directive.]

(f) *No Connection Impact Assessment Prior to Contract Award*

For any Proposal in respect of an LLT Capacity Project seeking to connect to a Distribution System, the LLT Capacity Project may not be the subject of a Connection Impact Assessment (whether issued or pending) submitted by or on behalf of the Proponent or any of its Affiliates as of the Proposal Submission Deadline and the Proponent must refrain from submitting a Connection Impact Assessment in respect of such LLT Capacity Project until such time as it has either been notified that its Proposal has not been selected pursuant to Section 5.4(a) or entered into the LLT(c) Contract in respect of such LLT Capacity Project. Where any Connection Impact Assessment in respect of a Proponent's LLT Capacity Project has previously been submitted to an LDC, such Connection Impact Assessment must be rescinded and permanently revoked prior to the submission of a Proposal in respect of such LLT Capacity Project.

(g) *Connection Point Requirements*

- (i) In submitting its Connection Point as a part of the Proposal in the Proposal Workbook, a Proponent may provide a single Circuit or Feeder, as applicable, or, where multiple connections to Common Corridor Circuits or Common LDC Feeders may be applicable, the Proposal may specify a Connection Point comprised of:
 - (A) for connections to a Transmission System, up to four (4) Circuits that are Common Corridor Circuits; or

- (B) for connections to a Distribution System, up to four (4) Feeders that are Common LDC Feeders.

For clarity, if a Connection Point is comprised of multiple physical connections to Common Corridor Circuits or Common LDC Feeders, all such connections must be either to a Transmission System (using only Common Corridor Circuits) or to a Distribution System (using only Common LDC Feeders) and no eligible Connection Point may be comprised of a combination of Circuits and Feeders.

- (ii) Subject to Section 2.1(g)(i), if the LLT Capacity Project is proposed to have multiple connections to Common Corridor Circuits or Common LDC Feeders, as applicable, the Proponent shall propose the portion of the proposed Contract Capacity (in MW) and Withdrawal Capability to be allocated to each Circuit or Feeder, as applicable, in the Proposal Workbook, subject to a minimum allocation of one (1) MW to each such Circuit or Feeder, and may designate one alternative allocation of the proposed Contract Capacity and Withdrawal Capability to any other Circuits or Feeders that are all Common Corridor Circuits or Common LDC Feeders, as applicable. Additionally, if the LLT Capacity Project is proposed to have a single electrical point of connection to a Circuit or Feeder for which there are Common Corridor Circuits or Common LDC Feeders, as applicable, the Proponent may designate in the Proposal Workbook one alternative allocation of the proposed Contract Capacity to any one or more of such Common Corridor Circuits or Common LDC Feeders, subject to a minimum allocation of one (1) MW to each such Circuit or Feeder.
- (iii) For any Proposal PQ Alternate proposing a Connection Point comprised of multiple connections to Common Corridor Circuits or Common LDC Feeders, as applicable, in the Proposal Workbook the Proponent shall propose the allocation of the alternative portion of the smaller proposed Contract Capacity or Withdrawal Capability of the Proposal PQ Alternate to all or any combination of the Circuits or Feeders, as applicable, submitted pursuant to Section 2.1(g)(i) in respect of the Primary Proposal PQ. Each such Proposal PQ Alternate may also designate one alternative allocation of the smaller proposed Contract Capacity or Withdrawal Capability of the Proposal PQ Alternate to all or any combination of the Circuits/Feeders designated pursuant to Section 2.1(g)(i) and alternative Circuits or Feeders (if any) designated pursuant to Section 2.1(g)(ii).

- (iv) For any Proposal that has provided an alternate allocation of proposed Contract Capacity and Withdrawal Capability across such Common Corridor Circuits or Common LDC Feeders as described in Section 2.1(g)(ii) or Section 2.1(g)(iii), as applicable, the IESO may, in its Discretion, select either of the proposed allocations, which selection will be communicated to the Selected Proponent(s) as a part of the preparation of the execution copy of the LLT(c) Contract provided pursuant to Section 3.8(a)(ii). For clarity, the Selected Proponent shall execute and deliver the LLT(c) Contract in accordance with Section 3.8(a).

2.2 Overview of the LLT(c) Contract

- (a) This Section 2.2 provides an overview of certain sections of the LLT(c) Contract and is for descriptive purposes only. For greater certainty, to the extent that there is any inconsistency between the descriptions in this Section 2.2 and the LLT(c) Contract, the terms of the LLT(c) Contract shall prevail.
- (b) The Proponents whose Proposals are selected must enter into the LLT(c) Contract as Suppliers under their own names.
- (c) Given its focus on system reliability needs, the LLT(c) Contract will compensate Suppliers for the availability of the capacity of their Facility during the Commitment Period. As such, the LLT(c) Contract will require that a Facility offer its Contract Capacity into the *IESO-administered markets* on Business Days for all hours from 07:00 to 23:00 EST or such other continuous 16-hour period over a maximum of five (5) days in any calendar week as may be prescribed by the IESO from time to time (such hours, “**Qualifying Hours**”). The IESO shall be entitled to exercise the right to prescribe a revised continuous 16-hour period on designated days to constitute Qualifying Hours on ninety (90) days’ prior written notice up to two times in each Contract Year.
- (d) *Monthly Payment*
 - (i) The LLT(c) Contract will pay Suppliers a fixed monthly capacity payment based on the Indexed Fixed Capacity Payment (or IFCP_{my}) (in units of \$/MW-Business Day) multiplied by the number of Business Days in the month and multiplied by their Monthly Contract Capacity. The Maximum Contract Capacity may not be more than ninety-five percent (95%) of the Nameplate Capacity of the Facility.
 - (ii) The IFCP_{my} will be established based on the Fixed Capacity Payment submitted in accordance with this LLT(c) RFP. For the first Contract Year the IFCP_{my} will be equal to the Fixed Capacity

Payment adjusted for inflation based on the change in the Consumer Price Index from the month immediately preceding the Contract Date to the month immediately preceding the earlier of the Commercial Operation Date and the Milestone Date for Commercial Operation. For the second and each succeeding Contract Year, twenty percent (20%) of the Indexed Fixed Capacity Payment will be adjusted for inflation based on year-over-year change in the Consumer Price Index.

- (iii) All market revenues attributable to the operation of the Facility in the *IESO-administered markets* or from other attributes or products generated from the physical operation of the Facility in the *IESO-administered markets*, will be for the benefit of the Supplier in accordance with the LLT(c) Contract.

(e) *Commercial Operation*

- (i) If Commercial Operation of the Facility is not achieved by the Milestone Date for Commercial Operation, the Supplier shall pay to the IESO, as liquidated damages and not as a penalty, a sum of money equal to the amount of (1) the Liquidated Damages Rate multiplied by (2) the Maximum Contract Capacity for each Business Day after the Milestone Date for Commercial Operation, until Commercial Operation has been achieved. The “Liquidated Damages Rate” under the LLT(c) Contract is \$150/MW-Business Day of Maximum Contract Capacity.
- (ii) If Commercial Operation is not achieved on or before the Longstop Date, it shall constitute a Supplier Event of Default. The “**Longstop Date**” under the LLT(c) Contract is the date that is eighteen (18) months after the Milestone Date for Commercial Operation.
- (iii) The Supplier will not be permitted to achieve Commercial Operation prior to the fifth (5th) anniversary of the Contract Date. If the Supplier seeks to achieve Commercial Operation from and after the fifth (5th) anniversary of the Contract Date but prior to the seventh (7th) anniversary of the Contract Date (such date, an “**Early Long-Lead COD**”), such ability to achieve Early Long-Lead COD will require the prior written consent of the IESO that may be withheld in the IESO’s sole and absolute discretion.

(f) *Force Majeure and Mid-Term Extended Outage*

- (i) In addition to the Planned Outages, the Supplier may, but is not obligated to, no earlier than the eleventh (11th) anniversary of the Contract Date, schedule, subject to Buyer’s prior written approval

in its sole and absolute discretion, a Mid-Term Extended Outage, provided that: (A) the Supplier shall only be entitled to a maximum of four (4) Mid-Term Extended Outages during the Term; and (B) the total duration of any such Mid-Term Extended Outage individually, or all such Mid-Term Extended Outages collectively, shall not exceed twelve (12) full Settlement Months. The Supplier must provide the Buyer with notice of the proposed Mid-Term Extended Outage at least twelve (12) months in advance and, upon Buyer's written approval, must schedule such Outage in accordance with all requirements under the IESO Market Rules.

- (ii) Any Mid-Term Extended Outage in accordance with the LLT(c) Contract and any Force Majeure that is claimed by the Supplier and accepted by the IESO during the Commitment Period shall reduce the Monthly Contract Capacity for the portion of the Qualifying Hours and the portion of the Contract Capacity for the Facility that is subject to such Mid-Term Extended Outage and/or an Outage arising from such confirmed Force Majeure event (referred to in Exhibit J of the LLT(c) Contract as the Outage Hour Capacity Reduction Factor or OHCRF) which will be applied to the Monthly Contract Capacity for purposes of calculating the Adjusted Monthly Contract Capacity. Any such Mid-Term Extended Outage and/or Force Majeure shall also reduce the payment being made to the Supplier by way of the same Outage Hour Capacity Reduction Factor applied to the Monthly Capacity Payment for the applicable Settlement Month.

(g) *Performance Obligations*

- (i) The “**Must-Offer Obligation**” is the primary operating covenant of the LLT(c) Contract and will require that the Supplier offer, in a Settlement Month, Electricity output from the Facility into the Day-Ahead Market for dispatch during Qualifying Hours from the Facility's Contract Capacity that is not subject to an Outage, such that the Monthly Average Offered Quantity for the Settlement Month is equal to or greater than its Adjusted Monthly Contract Capacity.
- (ii) After the completion of the third Contract Year, if the average of the Monthly Average Offered Quantity for each Settlement Month in any rolling twenty-four (24)-month period during the Term is less than seventy-five percent (75%) of the average of the Adjusted Monthly Contract Capacity for such Settlement Months, it will constitute a Supplier Event of Default.

(h) *Non-Performance*

- (i) If at the end of a Settlement Month, a Facility’s Monthly Average Offered Quantity is less than the Adjusted Monthly Contract Capacity, an “**Availability Non-Performance Charge**” will be assessed and charged to the Supplier for the applicable Settlement Month, equal to the Fixed Capacity Payment multiplied by the applicable percentage shortfall below the Adjusted Monthly Contract Capacity and further multiplied by a monthly non-performance factor (the “**Non-Performance Factor**”) set out below in Section 2.2(h)(ii).
- (ii) Monthly Non-Performance Factors

Month	Factor	Month	Factor
January	2.0	July	2.0
February	2.0	August	2.0
March	1.5	September	2.0
April	1.0	October	1.0
May	1.0	November	1.0
June	1.5	December	1.5

- (i) Regulatory Charge Credit and Global Adjustment
 - (i) Facilities will be eligible for a regulatory charge credit (including a reimbursement for Global Adjustment (“**GA**”)), subject to a minimum round-trip efficiency assumption of sixty percent (60%) (where actual observed efficiency below such level will result in less than one hundred percent (100%) reimbursement of such charges based on the formula for the calculation of such credit in the LLT(c) Contract).
 - (ii) The credit will be based on the sum of regulatory energy charges incurred by the Supplier in respect of withdrawn Electricity specified in the LLT(c) Contract plus the GA reimbursement.
 - (iii) The reimbursement of GA will be equal to the amount of GA incurred by the Supplier, until the Facility is eligible to begin participation in the Industrial Conservation Initiative (“**ICI**”) program or any successor or replacement program designed to

reduce or eliminate the Facility’s Global Adjustment cost obligation.

(j) *Completion and Performance Security*

- (i) The Supplier must, as of the Contract Date, provide to the IESO, Completion and Performance Security in an amount equal to the applicable Proposal Security (as set out in Section 3.7(d)(ii)) in accordance with and within the period specified in Section 3.8(a)(iii) of this LLT(c) RFP. The amount of the Completion and Performance Security as of the Contract Date is equal to the amount required for Proposal Security and a Selected Proponent must authorize the IESO to convert and maintain the Proposal Security to be held as Completion and Performance Security, rather than replacing the Proposal Security with separate Completion and Performance Security at the time of entering into the LLT(c) Contract.
- (ii) From and after the Contract Date and until the end of the Term, the Supplier must maintain the Completion and Performance Security in the amount per MW of the highest Monthly Contract Capacity and for the period specified below:

Period	Amount of Completion and Performance Security (in \$ / MW)
From the Contract Date until Security Step-Up Date	Amount of the Proposal Security as set out in Section 3.7(d)(ii)
From the Security Step-Up Date until COD	\$[35,000/MW of Maximum Contract Capacity]
From COD until the end of the Term	\$20,000/MW of Maximum Contract Capacity

- (iii) The Completion and Performance Security must be in the form of a letter of credit in the form provided in the LLT(c) Contract (consistent with the form in APPENDIX D hereto that is required for the Proposal as Proposal Security), for the full amount of the Completion and Performance Security.

(k) *Indigenous Community Participation*

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- (i) If the Supplier is awarded Rated Criteria Points in its Proposal as a result of a Proponent Indigenous Participation Level pursuant to Section 4.3(a) then the Supplier shall, within twenty (20) Business Days of a request by the IESO, provide written evidence documenting the Economic Interest in the Supplier that is held by the applicable Indigenous Community(ies) or Indigenous Holding Vehicle that is to the satisfaction of the IESO, acting reasonably.
 - (ii) Until the fifth (5th) anniversary of the COD, if the Indigenous Participation Level is reduced, the Supplier shall provide written notice thereof to the IESO of such decrease, which notice shall include the revised Indigenous Participation Level and the effective date thereof.
 - (iii) If the Indigenous Participation Level is not restored to a level of at least the level as at the Contract Date within six (6) months after such written notice pursuant to Section 2.2(k)(ii), then such failure to maintain an Indigenous Participation Level of at least such level until at least the fifth (5th) anniversary of the COD shall constitute a Supplier Event of Default.
 - (iv) Notwithstanding the foregoing, where an individual Indigenous Community that held more than ten percent (10%) of the Economic Interest in the Supplier as of the Contract Date (including through an Indigenous Holding Vehicle, if applicable) provides a written notice to the IESO, signed by one or more individuals with authority to bind the applicable Indigenous Community, requesting a reduction in the Indigenous Participation Level prior to the fifth (5th) anniversary of the Commercial Operation Date, to a level that may not be less than the Minimum Reduced IPL, such reduced Indigenous Participation Level shall be deemed to re-set the Indigenous Participation Level for purposes of this obligation. Such reduction may be exercised only once prior to the fifth (5th) anniversary of the Commercial Operation Date.
- (l) *AIA Components Two and Three Requirement for Project Sites on Prime Agricultural Areas*
- (i) Where the Project Site in respect of a Facility includes lands that are located within a Prime Agricultural Area as of the Proposal Submission Deadline, the Supplier shall, by no later than the eighteen (18) month anniversary of the Contract Date, provide the IESO with a written notice containing confirmation from an authorized representative of any Local Municipality that has jurisdiction over land use planning in respect of all or any portion of the Project Site confirming that the Supplier has completed an AIA

Components Two and Three Requirement with respect to the Facility and stating that such AIA Components Two and Three Requirement is satisfactory to the Local Municipality.

(ii) If the Supplier fails to meet the requirements described above such failure shall constitute a Supplier Event of Default under the LLT(c) Contract. If the IESO elects to terminate the LLT(c) Contract as a result of such Supplier Event of Default, such termination shall be without any costs or payments of any kind to either Party and all Completion and Performance Security shall be returned to the Supplier.

(m) *Adjustment for Post-Proposal Applicable Tariffs*

If the Supplier's Capital Cost increases by more than ten percent (10%) as a direct result of the Supplier or its direct or indirect contractor or subcontractor being required to pay any Post-Proposal Applicable Tariffs, the Supplier will have the opportunity, on no more than two (2) occasions, to deliver to the IESO a notice with a proposed revised Fixed Capacity Payment, which the IESO may accept or reject in its sole and absolute discretion. Where the IESO rejects such proposed revised Fixed Capacity Payment, the LLT(c) Contract will be automatically terminated, and the Completion and Performance Security shall be returned to the Supplier.

(n) *Regulation Services Readiness Requirements*

Where the Facility is Regulation Ready-Required Facility, the Supplier will be required to meet the Regulation Services Readiness Requirements and be capable of providing Regulation Services, which includes installing Regulation Services Equipment, initiating a Regulation Services SIA no later than six (6) months after COD and using commercially reasonable efforts to satisfy the Regulation Services Testing Requirement no later than eighteen (18) months after COD.

[NTD: overview section is subject to change.]

2.3 No Exclusivity of Contract

The LLT(c) Contract, if any, executed with a Supplier will not be an exclusive contract for the provision of capacity services to meet system reliability needs. The IESO may contract with others for the same or similar products or services from other resources or may otherwise obtain the same or similar products or services by other means.

SECTION 3 – LLT(C) RFP PROCESS OVERVIEW

3.1 Schedule

(a) Below is the schedule relating to this LLT(c) RFP process (the “Schedule”):

Milestone	Date
IESO’s release of the final LLT(c) RFP and LLT(c) Contract	[by April 30, 2026] (the “ RFP Effective Date ”)
Proponent’s deadline for submitting questions and comments, if any	[June 25, 2026] (the “ Question and Comment Deadline ”)
IESO’s deadline for issuing Addenda to the LLT(c) RFP and LLT(c) Contract, if any	[July 23, 2026]
Registration Start Date	[July 30, 2026]
Proponent’s deadline for registration	[August 13, 2026] at 3:00 P.M. (EPT)
Proposal submission deadline	[October 1, 2026] at 3:00 P.M. (EPT) (the “ Proposal Submission Deadline ”)
Target date for notification to Selected Proponents	[March 30, 2027]

(b) The IESO reserves the right to accelerate or postpone any of the dates set out above and to add to, eliminate, or re-order any of the steps set out in the Schedule. The IESO may amend the Schedule from time to time by Addendum, which will be posted on the Website.

3.2 Questions and Comments

(a) This LLT(c) RFP and the LLT(c) Contract, as applicable, will be public and accessible via the Website. Interested parties are encouraged to promptly examine all such documentation and: (i) report to the IESO any errors, omissions or ambiguities; and (ii) send to the IESO any questions they may

have regarding the LLT(c) RFP and the LLT(c) Contract by submitting a question or a comment by e-mail to LLT.RFP@ieso.ca on or before the Question and Comment Deadline specified in the Schedule. The IESO will not be responsible for, nor be obliged to respond to, questions or comments submitted from another location of the IESO's website or to any other e-mail address.

- (b) Questions marked as confidential will not be accepted by the IESO. Questions and comments received in the manner prescribed above that request clarification of the LLT(c) RFP and the LLT(c) Contract will be posted on the Website with the IESO's response, but the identity of any party asking any question or making any comment will not be revealed.
- (c) The IESO is under no obligation to provide additional information or answers but may do so at its sole Discretion. When posting questions to the Website, the IESO may make conforming changes to the question to remove identifying or Proponent-specific information.
- (d) It is the responsibility of an interested party to seek clarification by submitting questions or comments in the manner provided above on any matter that it considers to be unclear. The IESO shall not be responsible for any misunderstanding on the part of an interested party concerning any aspect of this LLT(c) RFP.

3.3 Addenda

- (a) This LLT(c) RFP and the LLT(c) Contract may be amended only by Addendum in accordance with this Section 3.3. If the IESO, for any reason, determines that it is necessary or appropriate to amend or provide additional information relating to the LLT(c) RFP and the LLT(c) Contract such information will be communicated by posting such Addendum on the Website on or prior to the deadline for issuing Addenda set out in the Schedule. Each Addendum will be deemed to form an integral part of this LLT(c) RFP and the LLT(c) Contract, as the case may be.
- (b) Each Addendum may contain important information, including significant changes to this LLT(c) RFP, the LLT(c) Contract and their respective Prescribed Forms, and interested parties are responsible for visiting the Website as often as is necessary to ensure that they obtain all Addenda and other communications issued by the IESO from time to time.
- (c) The IESO may issue an Addendum or Addenda after the deadline for issuing Addenda specified in the Schedule. If any Addendum is issued after the deadline for issuing Addenda set out in the Schedule, the IESO may, in its Discretion, extend the Proposal Submission Deadline for a reasonable amount of time having regard to the circumstances.

3.4 Registration

- (a) As the first step of participating in this LLT(c) RFP, interested Proponents must, no earlier than the Registration Start Date, submit a Prescribed Form: Registration Form (Capacity) to the IESO in a single email, specific to an individual proposed LLT Capacity Project, in accordance with the specific details set out in the Prescribed Form: Registration Form (Capacity), together with a non-refundable registration fee of five hundred Dollars (\$500) (the “**Registration Fee**”). The Prescribed Form: Registration Form (Capacity) shall require the interested Proponent to: (i) identify the prospective Proponent; (ii) specify the proposed LLT Capacity Project’s storage technology; (iii) identify the Maximum Contract Capacity for the proposed LLT Capacity Project; and (iv) provide certain information relating to the proposed Connection Point in respect of the proposed LLT Capacity Project. For greater certainty, registration pursuant to this Section 3.4(a) does not obligate a prospective Proponent to submit a Proposal. If the prospective Proponent submits a Proposal, the identity of such Proponent must be the same as the identity of the prospective Proponent provided in the Prescribed Form: Registration Form (Capacity).
- (b) Payment for the Registration Fee must be sent to the following bank account:

Beneficiary:	Independent Electricity System Operator
Beneficiary Address:	1600-120 Adelaide St West, Toronto ON M5H 1T1
Bank:	The Toronto-Dominion Bank
Bank Address:	55 King St West, Toronto ON M5K 1A2
Bank ID:	004
Transit No.:	10202
Account No.:	0690-5618464
Swift Code:	TDOMCATTOR

In order to ensure that the Registration Fee deposited by the interested Proponent is identified and correctly applied, the electronic funds transfer or wire should include a deposit reference identifier (“**Registrant ID**”) in the form of: LLT-Proponent Name-Project Name-Year (Example: LLT(c)-CompanyA- Project A-2026). After making the payment, an email must be sent to LLT.RFP@ieso.ca with a copy to ieso.treasury@ieso.ca with the following information: (a) interested Proponent name (and if different from depositor, depositor name); (b) Project Name; (c) expected deposit date; and (d) amount of Registration Fee deposited. Where an interested Proponent has made payment in respect of the Registration Fee as set out in this Section 3.4(b) in an amount in excess of the required amount, the IESO shall refund such excess amount, unless the excess amount is less than fifty Dollars (\$50).

- (c) If an interested Proponent would otherwise fail to meet the registration requirements set out in this Section 3.4 as a result of a manifest error or deficiency in the Prescribed Form: Registration Form (Capacity) or in the delivery Registration Fee, such as a missing date, name, signature or a typographical error, the IESO may, in its Discretion, issue a rectification notice identifying a perceived deficiency and in such case will provide the interested Proponent a single opportunity to rectify the perceived deficiency and submit the applicable corrected or completed materials within the time period specified by the IESO in such notice.
- (d) The IESO will respond to the interested Proponent confirming the interested Proponent's registration and providing a Unique Project ID for the identified LLT Capacity Project for purposes of this LLT(c) RFP in advance of the Proposal Submission Deadline.

3.5 Communications

- (a) The IESO does not wish to impair essential or appropriate communications by interested parties for the purposes of project planning, development, operations, regulatory compliance, participation in the *IESO-administered markets*, compliance with the requirements of this LLT(c) RFP, structuring or assembling a Proponent, participating in stakeholder engagement events administered by the IESO in respect of this LLT(c) RFP, or responding to stakeholder solicitations or requests for comments from the IESO in respect of this LLT(c) RFP (collectively, the "**Permitted Purposes**"). Therefore, the following communications rules apply with respect to this LLT(c) RFP:
 - (i) Communications in respect of this LLT(c) RFP must be only for the Permitted Purposes and for no other purposes; and
 - (ii) Permitted communications include communications with MPPs, mayors, municipal officials, municipal administrative staff, the media, members of the public, the IESO, the OEB, transmitters and distributors, for the Permitted Purposes and for no other purposes.
 - (iii) Communications in respect of this LLT(c) RFP shall not be for the purposes (the "**Excluded Purposes**") of:
 - (A) obtaining (or attempting to obtain or lobbying to obtain) an unfair advantage in respect of the LLT(c) RFP;
 - (B) influencing (or attempting to influence) the terms or outcome of the LLT(c) RFP other than via participating in stakeholder engagement events administered by the IESO in respect of this LLT(c) RFP or the LLT(c) Contract, or responding to stakeholder solicitations or requests for

comments from the IESO in respect of this LLT(c) RFP or the LLT(c) Contract;

- (C) influencing (or attempting to influence) government officials, regulatory officials or the management or staff of the IESO, OEB or transmitters or distributors, with respect to this LLT(c) RFP;
 - (D) denying (or attempting to deny) any other potential Proponent's fair, open and impartial consideration; or
 - (E) impairing (or attempting to impair) public confidence in the process or outcome of the LLT(c) RFP.
- (iv) The onus shall be on a Proponent to demonstrate that any communications in relation to this LLT(c) RFP were not communications for Excluded Purposes.
 - (v) Communication for any Excluded Purposes shall be and is hereby expressly excluded from the Permitted Purposes.
 - (vi) Communications with respect to this LLT(c) RFP between Proponents or prospective Proponents and any member of the IESO's management or board of directors, the Evaluation Team or its advisors, other than as expressly provided in this LLT(c) RFP, shall be considered to be communications for Excluded Purposes. Communications with IESO staff and the Ministry staff are permissible only for Permitted Purposes. Opportunities for communication with IESO or the Ministry staff or any other Person for Permitted Purposes shall not be used to carry out communications for Excluded Purposes.
- (b) If a Proponent or prospective Proponent has any questions regarding the appropriateness of specific communications, they are advised to seek clarification from the IESO via the e-mail address: LLT.RFP@ieso.ca.
 - (c) The IESO shall have the right to request and obtain from a Proponent, and the Proponent shall, if so requested, promptly provide to the IESO, information or clarification regarding the appropriateness of any communications by such Proponent that may be prohibited by this LLT(c) RFP. The Proponent shall provide all information reasonably necessary or appropriate to allow the IESO to assess whether such communications are or were for Permitted Purposes.
 - (d) In cases of breach of the foregoing communications rules, the IESO may, in its Discretion, disqualify a Proponent or revoke the status of a Proponent, as the case may be. No Proponent shall engage or have engaged in any

communications that would constitute a Conflict of Interest or that would breach the Non-Collusion Requirements, failing which, the IESO may, in its Discretion, disqualify the Proponent.

3.6 Proposal Requirements

- (a) Proponents are responsible for ensuring that the Proposals are complete in every respect and in compliance with this LLT(c) RFP. Proponents should structure their Proposals in accordance with the instructions in this LLT(c) RFP. Where information is requested in this LLT(c) RFP, any response made in a Proposal should reference the applicable section numbers of this LLT(c) RFP where such request is made.
- (b) The Proposals shall be unconditional. Any Proposal that is submitted subject to any condition will be rejected and such Proposal will no longer be considered in this LLT(c) RFP process. Except as provided in Section 3.7(e)(iii), the Proposal Fee will be non-refundable.
- (c) Apart from the completion of any blanks, bullets or similar uncompleted information in the Prescribed Forms, no amendments may be made to the pre-printed wording of the Prescribed Forms, but copies, including multiple copies, may be made of the appropriate pages of the Prescribed Forms. The Prescribed Forms will be made available on the Website in a writable PDF, Word or Excel format. Any amendments made to the Prescribed Forms, whether on the face of such forms or contained elsewhere in the Proposal, may result in the disqualification of the Proposal. All Prescribed Forms populated with relevant information from the Proponent must be signed by a director, officer or other person who has the authority to bind the Proponent.
- (d) Certain Prescribed Forms are, or contain, statutory declarations. The onus is solely on Proponents to conduct all investigations and verifications necessary or appropriate, including any investigations required of any member(s) of the Proponent's team, to confirm that each of the statements set out in the declarations can be made accurately and truthfully. If the IESO determines in its Discretion that any matter declared is not materially true and correct, then the Proposal may be rejected. Additionally, misrepresentations in the Proposal will constitute a breach of the representations and warranties in the LLT(c) Contract.
- (e) The Proposal must be written in English only and must be submitted in electronic format, typed in black ink, printable on an 8.5 × 11-inch paper, and all pages in applicable documents should be numbered sequentially. Proposals should be collated and organized in a user-friendly manner, including an index, cross-referencing of the various supporting

documentation and their respective page numbering systems, and should provide detailed responses.

3.7 Proposal Submission

(a) *Limit*

- (i) Only one Proposal may be submitted in respect of an individual LLT Capacity Project.
- (ii) A Proponent must submit separate Proposals for each individual LLT Capacity Project. A Proponent may submit multiple Proposals, provided that if more than twenty (20) Proposals in total are submitted by: (A) the Proponent; or (B) any Control Group Member of the Proponent; or (C) the Proponent together with any Control Group Member of the Proponent (the “**Proponent Group Limit**”), any such Proposals received in excess of the Proponent Group Limit (as determined by reference to the time priority of the final email submission of the applicable submitted Proposal) will be rejected and will not be evaluated.

(b) To be considered, a Proponent must submit all of the materials in Section 3.7(c)(i) (collectively, a “**Proposal**”). It is the Proponent’s responsibility to submit the Proposal to the IESO as prescribed by the requirements in Section 3.7(c) in all material respects. Any Proposal submission that is not received by the IESO per the requirements set out in Section 3.7(c) in all material respects will be rejected and the Proposal will no longer be considered in this LLT(c) RFP process. Except as provided in Section 3.7(e)(iii), the Proposal Fee will be non-refundable.

(c) *Electronic Submission Requirements*

- (i) To constitute a complete Proposal, Proponents must submit all of the following documents that are applicable to the Proposal as a part of the Proposal, electronically to LLT.RFP@ieso.ca, prior to the Proposal Submission Deadline:

ELECTRONIC PROPOSAL REQUIREMENTS		
Item #	Proposal Document	Delivery and Format
1.	Proposal Fee	An electronic funds transfer or wire payable to the “Independent Electricity System Operator” in the amount of \$11,300 per

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ELECTRONIC PROPOSAL REQUIREMENTS

Item #	Proposal Document	Delivery and Format
		<p>Proposal (the “Proposal Fee”), which fee is inclusive of HST.</p> <p>A Proponent submitting multiple Proposals must submit the Proposal Fee separately for each Proposal.</p>
2.	<p>LLT(c)PF-EB100 - Prescribed Form: Economic Bid Statement (Capacity)</p>	<p>The proposed Fixed Capacity Payment (in \$ per MW per Business Day) shall be submitted by the Proponent in its Proposal and will be the subject of the price evaluation under the LLT(c)RFP.</p> <p>In its Economic Bid Statement, the Proponent may, but is not obligated to, indicate up to two (2) Proposal PQ Alternates for purposes of the Deliverability Test assessment set out in Section 4.5.</p> <p>All Proponents must submit their proposed Fixed Capacity Payment (and details of any Proposal PQ Alternates) in the Prescribed Form: Economic Bid Statement (Capacity).</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LLT(c)PF-EB100.</p>
3.	<p>LLT(c)PF-PI100 - Prescribed Form: Proponent Information, Declarations and Workbook (Capacity)</p>	<p>All Proponents must submit an electronic copy of the completed Prescribed Form: Proponent Information, Declarations and Workbook (Capacity).</p> <p>As a part of this Prescribed Form, Proponents must submit the Proposal Workbook.</p> <p>Proponents are strongly encouraged to use a filename for the Prescribed Form: Proponent Information, Declarations and Workbook</p>

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ELECTRONIC PROPOSAL REQUIREMENTS		
Item #	Proposal Document	Delivery and Format
		<p>that follows the naming convention: Unique Project ID [●] LLT(c)PF-PI100.</p> <p>Proponents are strongly encouraged to use a filename for the Proposal Workbook that follows the naming: Unique Project ID [●] LLT(c)PF-PW100</p>
4.	LLT(c)PF-AR100 - Prescribed Form: Access Rights Declaration (Capacity)	<p>All Proponents must submit an electronic copy of the completed Prescribed Form: Access Rights Declaration (Capacity).</p> <p>Except where the Project Site is entirely located on Crown land, as a part of or attached to this Prescribed Form, Proponents must submit electronic copies of a map of the Project Site with a single scale showing the outer boundary of the Project Site.</p> <p>Except where the Project Site is entirely located on Crown land, Proponents must submit one or more parcel registers (or equivalent for lands not registered on the Ontario land titles system) in respect of the Project Site evidencing the registered owner of the Properties included in the Project Site.</p> <p>Except where the Project Site is entirely located on Crown land, where title to one or more Properties included in the Project Site is not in the name of the Proponent (including where title is held by an Affiliate of the Proponent), the Proponent must submit a letter addressed to the IESO signed by the documented title holder of such Properties (or the applicable Governmental Authority, where access to such Properties are controlled by such Governmental Authority) stating that the Proponent has: (i) the contractual right to acquire such Properties; or (ii) contractual rights to build,</p>

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ELECTRONIC PROPOSAL REQUIREMENTS		
Item #	Proposal Document	Delivery and Format
		<p>operate and maintain the LLT Capacity Project on such Properties, if it is selected as a Selected Proponent. Such title holder’s statement shall not otherwise be qualified or conditional.</p> <p>Where the Proposal is in respect of a Provincial Crown Land Project, as a part of or attached to this Prescribed Form, the Proponent must submit an MNR Confirmation Letter, a Provincial Crown Land Shapefile and an attestation that the Project Site information contained in the Provincial Crown Land Shapefile is consistent in all material respects with the Project Site information included in the Proponent’s Provincial Crown Land Site Report Form.</p> <p>Where the Proposal is in respect of a Federal Crown Land Project, as a part of or attached to this Prescribed Form, the Proponent must submit a Survey Permit or an existing executed lease of such federal Crown land in favour of the Proponent (as applicable), a Federal Crown Land Shapefile and an attestation that the Project Site information contained in the Federal Crown Land Shapefile is consistent in all material respects with the Project Site information included in the Survey Permit or executed lease (as applicable).</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [I] LLT(c)PF-AR100.</p>
5.	LLT(c)PF-CUT100 - Prescribed Form: Confirmation of	If the Project is proposed to be located in whole or in part on Unincorporated Territory, the Proponent must submit an

ELECTRONIC PROPOSAL REQUIREMENTS

Item #	Proposal Document	Delivery and Format
	Unincorporated Territory (Capacity)	<p>electronic copy of the completed Prescribed Form: Confirmation of Unincorporated Territory (Capacity).</p> <p>As part of or attached to this form, Proponents must submit a Confirmation of Unincorporated Territory, which must show the seal or certificate of the issuing Land Use Planner from the Ontario Professional Planners Institute.</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LLT(c)PF-CUT100.</p>
6.	LLT(c)PF-IS100 - Prescribed Form: Evidence of Indigenous Support (Capacity)	<p>If the Project Site is proposed to be located in whole or in part on Indigenous Lands, the Proponent must submit an electronic copy of the completed Prescribed Form: Evidence of Indigenous Support (Capacity).</p> <p>As a part of this form, Proponents must submit electronic copies of Indigenous Support Confirmation(s) dated no earlier than RFP Effective Date.</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LLT(c)PF-IS100.</p>
7.	LLT(c)PF-MS100 - Prescribed Form: Evidence of Municipal Support (Capacity)	<p>If the Project Site is proposed to be located in whole or in part on Municipal Lands, the Proponent must submit an electronic copy of the completed Prescribed Form: Evidence of Municipal Support (Capacity).</p>

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ELECTRONIC PROPOSAL REQUIREMENTS		
Item #	Proposal Document	Delivery and Format
		<p>As a part of or attached to this form, Proponents must submit electronic copies of Municipal Support Confirmation(s).</p> <p>Where the Municipal Support Confirmation is in the form of a Municipal Resolution in Support of Proposal Submission, the Municipal Resolution in Support of Proposal Submission must be dated no earlier than February 27, 2026.</p> <p>Where the Municipal Support Confirmation is in the form of a Blanket Municipal Support Resolution, together with a Blanket MS Confirmation Letter, such Blanket MS Confirmation Letter must be dated no earlier than February 27, 2026.</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LLT(c)PF-MS100.</p>
8.	LLT(c)PF-IP100 - Prescribed Form: Evidence of Indigenous Community Participation (Capacity)	<p>If the Proponent is seeking to attain the Rated Criteria Points in Section 4.3(a) and (if applicable) Section 4.3(b), in order to attain such Rated Criteria Points, the Proponent must submit an electronic copy of the completed Prescribed Form: Evidence of Indigenous Community Participation (Capacity).</p> <p>As a part of or attached to this Prescribed Form, Proponents must submit electronic copies of one or more organizational charts and securities registers documenting the Economic Interest in the Proponent held by one or more Indigenous Communities.</p> <p>Additionally, where Rated Criteria Points are sought under Section 4.3(b), and the Project</p>

ELECTRONIC PROPOSAL REQUIREMENTS		
Item #	Proposal Document	Delivery and Format
		<p>Site is not located on Indigenous Lands, this Prescribed Form requires an attestation from an Individual with authority to bind an Indigenous Community whose Economic Interest in the Proponent is included in the Proponent Indigenous Participation Level, that the Project Site includes lands that are within the Indigenous Community's established or asserted traditional territory or homeland or are the subject of a treaty signed with the Indigenous Community.</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LLT(c)PF-IP100.</p>
9	LLT(c)PF-IE100 - Prescribed Form: Class II Independent Engineer Certificate	<p>If the Proposal is for an LLT Capacity Project that uses Class II LDES Technology, the Proposal must submit an electronic copy of the completed Prescribed Form: Class II Independent Engineer Certificate (Capacity)</p> <p>As part of this Prescribed Form, Proponents must submit an Independent Engineer Certificate that is signed and sealed by an Independent Engineer.</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LLT(c)PF-IE100.</p>
10	LLT(c)PF-DP100 - Prescribed Form: Supply Chain Disclosure Plan (Capacity)	<p>All Proponents must submit an electronic copy of the completed Prescribed Form: Supply Chain Disclosure Plan (Capacity).</p> <p>Proponents are strongly encouraged to use a filename for the Prescribed Form: Supply Chain Disclosure Plan (Capacity) that</p>

ELECTRONIC PROPOSAL REQUIREMENTS		
Item #	Proposal Document	Delivery and Format
		<p>follows the naming convention: Unique Project ID [●] LLT(c)PF-DP100.</p> <p>[NTD: This Prescribed Form is currently under development by the IESO.]</p>

- (ii) The email submission made to LLT.RFP@ieso.ca must contain all Proposal documents identified in Section 3.7(c)(i) and should utilize the following naming convention in its email subject line: “**LLT(c) Unique Project ID [●] Submission**”.
- (iii) The Proposal documents that are required to be submitted to the IESO in electronic format in accordance with Section 3.7(c)(i) must be received by the IESO in the LLT.RFP@ieso.ca inbox by no later than the Proposal Submission Deadline. Proponents are solely responsible for their technology and the transmission of the Proposal submission (including the full amount of the Proposal Fee). The IESO shall utilize the time stamp generated at the time of receipt into the LLT.RFP@ieso.ca inbox.

Any delays due to firewalls, technical faults, file size, unreadable or partial scans of compiled documents, forms or attachments, electronic funds transfers, or a high volume of Proposals will not be taken into account. This time stamp (being the time that the email is received by the IESO) will be the sole determinant of whether electronic Proposal documents were received prior to the Proposal Submission Deadline. For clarity, the IESO will not be responsible for late deliveries, deliveries to the incorrect email address or location or other electronic delivery failures. Proposal documents submitted after the Proposal Submission Deadline will not be accepted. Due to limitations on the size of electronic delivery of emails to the LLT.RFP@ieso.ca email of twenty (20) megabytes, Proponents may submit their Proposal documents through multiple emails. Proponents are advised that the IESO’s firewall may reject emails containing attachments when originating from certain public email platforms such as gmail.com; yahoo.com; hotmail.com; msn.com; sympatico.ca; rogers.com and similar public email systems. Proponents are strongly encouraged to utilize email systems operating on private servers for the electronic submission of Proposal materials.

For further clarity, if any email containing Proposal documents is shown to have been received in the LLT.RFP@ieso.ca inbox or payment of Proposal Fees are received in IESO's bank account at anytime after the Proposal Submission Deadline, the entire Proposal will be rejected and the Proposal will no longer be considered in this LLT(c) RFP process. Except as provided in Section 3.7(e)(iii), the Proposal Fee will be non-refundable. **Proponents are strongly encouraged to submit their Proposals and payments sufficiently in advance of the Proposal Submission Deadline to avoid any unforeseen delays in electronic delivery or processing of payments.**

- (iv) Payment for the Proposal Fee must be sent to the following bank account:

Beneficiary:	Independent Electricity System Operator
Beneficiary Address:	1600-120 Adelaide St West, Toronto ON M5H 1T1
Bank:	The Toronto-Dominion Bank
Bank Address:	55 King St West, Toronto ON M5K 1A2
Bank ID:	004
Transit No.:	10202
Account No.:	0690-5618464
Swift Code:	TDOMCATTOR

In order to ensure that Proposal Fee deposited by the Proponent is identified and correctly applied, the electronic funds transfer or wire should include a deposit reference identifier in the form of the Unique Project ID. After making the payment, an email must be sent to LLT.RFP@ieso.ca with a copy to ieso.treasury@ieso.ca with the following information: (a) Proponent name; (b) the Unique Project ID; (c) expected deposit date; and (d) amount of Proposal Fee deposited. Proponents are reminded that any bank wiring or electronic funds transfer fees (or equivalent) must be taken into account and Proponents are responsible to ensure that the full amount of the Proposal Fee is received by the IESO (net of any banking or transfer fees) by the Proposal Submission Deadline. Where a Proponent has made payment in respect of the Proposal Fee as set out in this Section 3.7(c)(iv) in an amount in excess of the required amount, the IESO shall refund such excess amount, unless the excess amount is less than one thousand Dollars (\$1,000).

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

(d) *Hard Copy Submission Requirements*

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

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

- (ii) The amount of Proposal Security (which shall be converted into Completion and Performance Security upon execution of the LLT(c) Contract) shall be twenty thousand Dollars (\$20,000) per MW of the Maximum Contract Capacity (with MW rounded to two decimal places in the event of partial MW), subject to a minimum total amount of three-hundred thousand Dollars (\$300,000) and a maximum of fifteen million Dollars (\$15,000,000). Proposal documents required to be submitted to the IESO in hard copy format shall be delivered to the address below:

Independent Electricity System Operator
 120 Adelaide Street West, Suite 1600
 Toronto, ON M5H 1T1
Attention: LLT(c) RFP

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

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- (iv) Proponents are encouraged to submit a cover letter with each hard copy of the Proposal Security that clearly identifies the Proponent's name, Unique Project ID and LLT Capacity Project's name to which the enclosed Proposal Security relates. Proponents are encouraged to affix a label to the outside of any hard copy submission package, specific to each individual Proposal, that clearly indicates the Proponent's name and address along with the IESO's mailing address (the "**Proposal Submission Label**"). The form of the Proposal Submission Label has been provided in APPENDIX C to this LLT(c) RFP.

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

- (i) Proposals cannot be amended once submitted.
- (ii) At any time prior to the Proposal Submission Deadline, a Proponent may withdraw a submitted Proposal by emailing notice of such withdrawal in the Prescribed Form: Notice of Proposal Withdrawal (Capacity) to the IESO at LLT.RFP@ieso.ca and, provided that such Prescribed Form: Notice of Proposal Withdrawal (Capacity) is received by the IESO prior to the Proposal Submission Deadline, the entire Proposal described therein shall be deemed to have been withdrawn.
- (iii) If a Proponent withdraws a Proposal prior to the Proposal Submission Deadline, the IESO will not process such Proposal and will return such Proposal, including the Proposal Fee to the Proponent.
- (iv) Subject to Section 3.7(a), the IESO will not process more than one Proposal with the identical Proponent name unless it is in relation to separate LLT Capacity Projects. If the IESO receives multiple Proposals from the same Proponent and in respect of the same LLT Capacity Project and no corresponding Prescribed Form: Notice of Proposal Withdrawal (Capacity) indicating whether any one of such Proposals has been withdrawn, the IESO will not process either Proposal and will return each Proposal, including the Proposal Fee and Proposal Security, to the Proponent.
- (v) If a Proponent makes payment of the Proposal Fee but does not submit a Proposal prior to the Proposal Submission Deadline, the IESO will return such Proposal Fee to the prospective Proponent.

(f) *Irrevocability*

- (i) Proposals shall be irrevocable in the form submitted by the Proponent from the Proposal Submission Deadline until 3:00 P.M.

(EPT) on the one hundred and eightieth (180th) day after the Proposal Submission Deadline or for such longer period as agreed to from time to time pursuant to the provisions of this Section 3.7(f) (the “**Period of Irrevocability**”).

- (ii) If the IESO wishes to extend the Period of Irrevocability, the IESO shall submit a request prior to the expiry of the Period of Irrevocability to those Proponents whose Proposals are, at the time of the request, still being considered in the evaluation process. A Proponent may, in its discretion, consent to extend its Period of Irrevocability and, in such case, must notify the IESO of such intent within five (5) Business Days after such request was made.
- (iii) If a Proponent does not respond to the request within five (5) Business Days or refuses to extend the Period of Irrevocability, the Proponent’s Proposal shall continue to be irrevocable in accordance with its original Period of Irrevocability.
- (iv) If the IESO determines in its Discretion that it will be unable to award contracts prior to the expiration of the applicable Period of Irrevocability, it will, after the expiration of the Period of Irrevocability, cease to consider the Proposal(s) of a Proponent who has refused the IESO’s request to extend its Period of Irrevocability or has failed to provide a written response to the IESO within five (5) Business Days of such request by the IESO. The IESO will continue to evaluate Proposals of those Proponents who have consented to an extension to their Period of Irrevocability and award contracts, if at all, only to such remaining Proponents.

3.8 Notification of Selected Proponents and Other Proponents

(a) Selected Proponents

- (i) Once Selected Proposals are chosen by the IESO, the IESO will notify the Selected Proponents in writing of the selection, and will notify the other Proponents that were not chosen by the IESO in accordance with Section 3.8(b).
- (ii) The IESO may, prior to the financial market opening in Toronto, Ontario, in accordance with the Schedule, make a public announcement of such selection, noting that such selection is subject to the successful completion and execution of the LLT(c) Contract and related closing documents. The IESO will forward to the Selected Proponent(s) a copy of the LLT(c) Contract and those related closing documents prepared by the IESO for completion and execution by the Selected Proponents, and the date that the LLT(c) Contract and such closing documents are sent by the IESO to the

Selected Proponents is referred to as the “**LLT(c) Contract Receipt Date**”.

- (iii) The Selected Proponents must, within twenty (20) Business Days after the LLT(c) Contract Receipt Date,
 - (A) authorize the IESO to convert and maintain the Proposal Security to be held as Completion and Performance Security, and
 - (B) execute and deliver the LLT(c) Contract together with all related closing documents required by the IESO (including certificates of status or equivalent).

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

- (iv) Should any Selected Proponent fail to execute and deliver the LLT(c) Contract and all related closing documents required by the IESO within the required timeframes in respect of any Selected Proposals, such Selected Proponents will be in breach of this LLT(c) RFP with respect to such Proposals and the IESO may, in its Discretion, disqualify such Selected Proposals, draw upon the Proposal Security, and/or disqualify any or all other Selected Proposals submitted by the same Selected Proponent, which remedies shall be the sole and exclusive remedies of the IESO as a result of such Selected Proponent’s breach of this LLT(c) RFP.
- (v) Once the executed LLT(c) Contract and all related closing documents have been delivered to the IESO by the Selected Proponents, the IESO will coordinate, in consultation with the applicable Selected Proponents, further public announcements concerning the LLT Capacity Project.

(b) *Other Proponents*

- (i) The IESO will notify a Proponent whose Proposal did not become a Selected Proposal, either:
 - (A) after the evaluation for Stage 1 has concluded for all Proponents, that a Proponent’s Proposal has failed to satisfy the Stage 1 completeness requirements set out in Section 4.1; or
 - (B) after Selected Proponents are notified pursuant to Section 3.8(a), that successful Proponents have been selected by the

IESO as Selected Proponents and that the LLT(c) RFP process has concluded,

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

3.9 Debriefing

- (i) Any Proponent whose Proposal did not become a Selected Proposal, other than as a result of a failure of the Proposal to pass the Deliverability Test or as a result of the IESO achieving the Target Capacity or the Class II LDES Cap, as applicable, with Proposals ranked higher on the Offer List, as indicated in the IESO's notification under Section 3.8(b) above, may request a debriefing after being notified of their status.
- (ii) The IESO will hold a single debriefing meeting for each eligible Proponent in which they can discuss their rejected Proposal. Requests must be made in writing through LLT.RFP@ieso.ca email address and must be made within thirty (30) days of such notification. The intent of the debriefing session is to assist the Proponent in presenting a better proposal in subsequent procurement opportunities.
- (iii) Any debriefing provided is not offered for the purpose of providing an opportunity to challenge this LLT(c) RFP procurement process.

3.10 Confidentiality

- (a) Information provided by a Proponent is subject to, and may be released in accordance with, the provisions of the *Freedom of Information and Protection of Privacy Act* (Ontario). A Proponent is required to clearly identify any portion of any Proposal that contains proprietary or confidential information by marking it as "Proprietary and Confidential". Only those portions of a Proposal that are marked as "Proprietary and Confidential" will be accorded confidential treatment by the IESO in accordance with this Section 3.10.
- (b) The confidentiality of any such information identified by the Proponent will be maintained by the IESO, except where Laws and Regulations, a request by the Information and Privacy Commissioner, a court, legislative committee or a tribunal requires the IESO to do otherwise. Notwithstanding the foregoing, the IESO shall not be required to maintain the confidentiality of any such information that:

- (i) is or becomes generally available to the public without fault or breach on the part of the IESO of any duty of confidentiality owed by the IESO to the Proponent or to any third party;
 - (ii) the IESO can demonstrate that it had been rightfully obtained by the IESO, without any obligation of confidence, from a third party that had the right to transfer or disclose it to the IESO free of any obligation of confidence;
 - (iii) the IESO can demonstrate that it had been rightfully known by, or in the possession of, the IESO at the time of disclosure, free of any obligation of confidence when disclosed; or
 - (iv) has been independently developed by the IESO.
- (c) Information contained in Proposals will, as deemed necessary by the IESO, be disclosed on a confidential basis, to the Evaluation Team, the IESO, the Government of Ontario, the Fairness Advisor, the IESO's counsel and other advisors retained in connection with the LLT(c) RFP and in the evaluation of the Proposals.
- (d) All information provided by or obtained from the IESO in any form in connection with this LLT(c) RFP is the sole property of the IESO and must be treated as confidential, and:
- (i) is not to be used for any purpose other than replying to this LLT(c) RFP;
 - (ii) must not be disclosed without the prior written authorization of the IESO; and
 - (iii) shall be returned by the Proponent to the IESO immediately upon the request of the IESO.

3.11 Disclosure of Proponents and Project Information

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

- (a) Proponent Name;
- (b) applicable LLT Capacity Project and its Monthly Contract Capacity;
- (c) average or individual Fixed Capacity Payments or other aggregate pricing information;
- (d) the location of proposed Project Sites; and

- (e) the Indigenous Communities that hold Economic Interest in a Proponent (including through an Indigenous Holding Vehicle).

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

SECTION 4 – PROPOSAL EVALUATION

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

4.1 Stage 1 – Completeness Requirements

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

All Proposals must be complete in all respects at the time of submission. If a Proposal would otherwise fail the Stage 1 completeness review as a result of a manifest error or deficiency on a submitted Prescribed Form, such as a missing date, name, signature or a typographical error (and not, for certainty, a failure to pay the Proposal Fee, a failure to deliver the Proposal Security as required by Section 3.7 or a failure to submit a Prescribed Form in its entirety that is required by Section 3.7), the IESO may, in its Discretion, issue a rectification notice identifying a perceived deficiency and in such case will provide the Proponent a single opportunity to rectify the perceived deficiency and submit the applicable corrected or completed materials within the time period specified by the IESO in such notice. Notwithstanding the foregoing, if a Proposal fails the Stage 1 completeness review as a result of an error, deficiency or omission in any documents, forms and declarations pertaining solely to a Proposal PQ Alternate, the Proposal will continue through the subsequent stages of evaluation except in respect of any such Proposal PQ Alternate(s), which shall be deemed to have been removed from the Proposal.

For greater certainty, a failure by a Proponent to complete a Prescribed Form for the purposes of having their Rated Criteria evaluated shall not fail the Stage 1 completeness review as a result of such failure, and such failure will only result in a failure to be awarded the applicable Rated Criteria Points.

4.2 Stage 2 – Mandatory Requirements

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

- (a) the Proponent and the Proposal satisfy each of the eligibility requirements specified in Section 2.1;
- (b) the Proposal is within the Proponent Group Limit set out in Section 3.7(a);

- (c) the Proponent is either the registered owner of the Project Site or has submitted the requisite confirmation letter(s) from the registered owner(s) of the Properties included in the Project Site or, if and as applicable, an MNR Confirmation Letter or a Survey Permit or an existing executed lease of federal Crown land in accordance with the requirements of Section 3.7(c)(i); and
- (d) where the Proposal is for a Provincial Crown Land Project, the Project Site (and the Project Site of any associated Proposal PQ Alternate(s)), as reflected in the Provincial Crown Land Shapefile(s) submitted in accordance with Section 2.1(c)(vii) does not overlap with or use any of the same provincial Crown lands as any AOR Held Lands for which the Proponent is not the Applicant of Record.

For greater certainty, the determination of whether such Mandatory Requirements are met will be based on the Proposal materials contained solely in the submission documents as set out in Section 3.7(c)(i) and, in the case of Provincial Crown Land Projects, review of mapping tools and reference materials in respect of AOR Held Lands from the Ontario Ministry of Natural Resources. Proposals that do not demonstrate that the Proponent satisfies the Mandatory Requirements set out in this Section 4.2 will not be evaluated further and will be rejected. Notwithstanding the foregoing, if a Proposal fails to meet any of the Mandatory Requirements solely in respect of a Proposal PQ Alternate, the Proposal will continue through the subsequent stages of evaluation except in respect of any such Proposal PQ Alternate(s), which shall be deemed to have been removed from the Proposal. Additionally, if the Proposal fails to meet any of the Mandatory Requirements solely in respect of a Primary Proposal PQ, but one or more Proposal PQ Alternates are included in the Proposal and do meet all of the Mandatory Requirements in the absence of the Primary Proposal PQ, the Proposal will continue through the subsequent stages of evaluation solely in respect of any such Proposal PQ Alternate(s) and such Primary Proposal PQ shall be deemed to have been removed from the Proposal.

4.3 Stage 3 – Rated Criteria

All Proposals that have passed Stage 1 and Stage 2 shall have their Rated Criteria evaluated by the IESO. The IESO will assign “**Rated Criteria Points**” to such Proposals as set out in this Section. There shall be a maximum of nine (9) possible Rated Criteria Points awarded to any Proposal. The Rated Criteria to be used by the IESO are as follows:

- (a) *Proponent Indigenous Participation Level*

Rated Criteria Points available	Indigenous Community Participation
3	If the Proponent Indigenous Participation Level is equal to or more than fifty percent (50%).
2	If the Proponent Indigenous Participation Level is equal to or more than twenty-five percent (25%) but less than fifty percent (50%).
1	If the Proponent Indigenous Participation Level is equal to or more than ten percent (10%) but less than twenty-five percent (25%).
0	If the Proponent Indigenous Participation Level is less than ten percent (10%).

(b) *Local Indigenous Community Participation*

If Rated Criteria Points were awarded pursuant to Section 4.3(a) and the Project Site is located in whole or in part on:

- (i) Indigenous Lands; or
- (ii) lands within the treaty area, or the established or asserted traditional territory or homeland, as evidenced by an attestation from an Individual with authority to bind that Indigenous Community,

in either case, of an Indigenous Community that holds an Economic Interest in the Proponent of at least ten percent (10%) and is included in the Proponent Indigenous Participation Level (including through an Indigenous Holding Vehicle, if applicable), the following additional Rated Criteria Points shall be awarded to such Proposal:

Rated Criteria Points available	Local Indigenous Community Participation
3	If the Proponent Indigenous Participation Level is equal to or more than fifty percent (50%).

Rated Criteria Points available	Local Indigenous Community Participation
2	If the Proponent Indigenous Participation Level is equal to or more than twenty-five percent (25%) but less than fifty percent (50%).
1	If the Proponent Indigenous Participation Level is equal to or more than ten percent (10%) but less than twenty-five percent (25%).
0	If the Proponent Indigenous Participation Level is less than ten percent (10%).

- (c) *Duration of capability to continuously deliver Contract Capacity to a Connection Point during the Qualifying Hours*

Rated Criteria Points available	Duration of capability to continuously deliver the Contract Capacity to a Connection Point during the Qualifying Hours
3	If the LLT Capacity Project is able to continuously deliver the Contract Capacity to a Connection Point for twelve (12) or more hours during the Qualifying Hours.
1.5	If the LLT Capacity Project is able to continuously deliver the Contract Capacity to a Connection Point for at least ten (10) hours but less than twelve (12) hours during the Qualifying Hours.
0	If the LLT Capacity Project is able to continuously deliver the Contract Capacity to a Connection Point for at least eight (8) hours but less than ten (10) hours during the Qualifying Hours.

4.4 Stage 4 – Review of Economic Bid Statement

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

(b) Subject to Section 5.10(m), all Primary Proposal PQs and Proposal PQ Alternates whose proposed Fixed Capacity Payment exceeds the Reserve Price will not be evaluated further and will be rejected.

(c) *Evaluated Proposal Price and Ranking*

(i) All Proposals and any associated Proposal PQ Alternates other than those rejected under Section 4.4(b), shall have their proposed Fixed Capacity Payment evaluated using the Rated Criteria Points to calculate the “**Evaluated Proposal Price**”.

(ii) The Evaluated Proposal Price shall only be used by the IESO to rank the Proposal (and any associated Proposal PQ Alternates). Such Evaluated Proposal Price shall not impact the pricing under the LLT(c) Contract, which shall be based on the proposed Fixed Capacity Payment.

(iii) The Evaluated Proposal Price will be calculated using the following formula:

EPP = SP × (1 - (ECW × (S / MS)))	
where:	
EPP	is the Evaluated Proposal Price (in \$ per MW per Business Day).
SP	is the Submitted Price which shall be equal to the proposed Fixed Capacity Payment set out in the Prescribed Form: Economic Bid Statement (Capacity).
ECW	is the evaluation criteria weighting, which set at 0.15.
S	is equal to the total Rated Criteria Points awarded to the Proposal under Stage 3.
MS	is the maximum possible Rated Criteria Points available under Stage 3, which shall be 9 points.

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

Price. The outcome of this ranking will create a preliminary list (the “**Preliminary List**”).

- (v) In the event of an equivalent Evaluated Proposal Price between two or more Proposals (or Proposal PQ Alternates), the order ranking within the Preliminary List shall be determined by giving the higher ranking to the Proposal (or Proposal PQ Alternate) with the higher Maximum Contract Capacity and a lower ranking to the Proposal (or Proposal PQ Alternate) with a lower Maximum Contract Capacity.
- (vi) In the event that multiple Proposals or Proposal PQ Alternates within the Preliminary List have the same Evaluated Proposal Price and the same Maximum Contract Capacity, the order ranking between such Proposals will be randomly generated, which will be witnessed and documented by the Fairness Advisor.

4.5 Stage 5 – Deliverability Assessment

- (a) The deliverability in respect of the LLT Capacity Project, for Proposals that are included in the Preliminary List, will be assessed by the IESO in accordance with the IESO’s methodology for determining the deliverability status as outlined in the latest version of the deliverability test guidance document published on the Website (the “**Deliverability Test**”), based on their ranking within the Preliminary List.
- (b) Each Proponent acknowledges and agrees that the Deliverability Test results are distinct from, and in addition to, any Connection Impact Assessment, System Impact Assessment or Customer Impact Assessment required pursuant to Laws and Regulations. Neither the Deliverability Test results, nor any exercise of IESO’s Discretion as described in Section 2.1(g)(iv), as applicable, ensure the ability to connect an LLT Capacity Project or at any assumed cost.
- (c) If the Deliverability Test result for a Proposal on the Preliminary List is “Deliverable”, subject to Section 4.5(f), such Proposal will be processed and added to the “**Offer List**” and all alternate Proposal PQ Alternates for such Proposal will be removed from the Preliminary List.
- (d) If the Deliverability Test result for a Proposal on the Preliminary List is “Not Deliverable”, such Proposal will not be processed further and will be removed from the Preliminary List. Notwithstanding the foregoing, any alternate Proposal PQ Alternates in respect of such Proposal will remain on the Preliminary List and will be evaluated in their ranked order. If a Proposal PQ Alternate is subsequently added to the Offer List any further Proposal PQ Alternate in respect of such Proposal will be removed from the Preliminary List.

- (e) Proposals will only be added to the Offer List until such point where, subject to Section 4.5(f) and Section 5.10(l), the addition of a Proposal from the Preliminary List causes the aggregate Maximum Contract Capacity of the Proposals on the Offer List to meet or exceed the Target Capacity or the Class II LDES Cap, as applicable, following which:
- (i) in the case of the Target Capacity being met or exceeded, no further Proposals from the Preliminary List; and
 - (ii) in the case of Class II LDES Cap being met or exceeded, no further Proposals from the Preliminary List in respect of LLT Capacity Projects utilizing Class II LDES Technology,
- shall be added to the Offer List.
- (f) In the event that multiple Proposals (or Proposal PQ Alternates) on the Preliminary List are Provincial Crown Land Projects, before adding any such Proposal (or Proposal PQ Alternate) to the Offer List, the IESO will (or will cause its consultant to) utilize the Provincial Crown Land Shapefile for each such Provincial Crown Land Project to identify any instances in which the proposed Project Site for such Proposal (or that of any of its Proposal PQ Alternates) overlaps with or uses the same lands as the proposed Project Site of any other Provincial Crown Land Projects (or that of any Proposal PQ Alternates) on the Preliminary List (any such Proposals, **“Conflicting Provincial Crown Land Proposals”**). In the event of any Conflicting Provincial Crown Land Proposals on the Preliminary List, where any such Conflicting Provincial Crown Land Proposal (or any associated Proposal PQ Alternate) is to be added to the Offer List pursuant to Section 4.5(c), any Proposal that is a Conflicting Provincial Crown Land Proposal with such Proposal that is ranked lower on the Preliminary List will not be evaluated further and will be rejected, provided that in the event any Proposal PQ Alternate in respect of such rejected Conflicting Provincial Crown Land Proposal does not overlap with the Project Site of the Proposal (or Proposal PQ Alternate) being added to the Offer List, such Proposal PQ Alternate of the rejected Conflicting Provincial Crown Land Proposal will remain on the Preliminary List and will be evaluated in its ranked order.
- (g) In the event that multiple Proposals (or Proposal PQ Alternates) on the Preliminary List are Federal Crown Land Projects, before adding any such Proposal (or Proposal PQ Alternate) to the Offer List, the IESO will (or will cause its consultant to) utilize the Federal Crown Land Shapefile for each such Federal Crown Land Project to identify any instances in which the proposed portions Project Site that are located on federal Crown lands for such Proposal (or that of any of its Proposal PQ Alternates) overlaps with or uses the same lands as the proposed portions Project Site that are located on federal Crown lands of any other Federal Crown Land Projects,

(or that of any Proposal PQ Alternates) on the Preliminary List (any such Proposals, “**Conflicting Federal Crown Land Proposals**”). In the event of any Conflicting Federal Crown Land Proposals on the Preliminary List, where any such Conflicting Federal Crown Land Proposal (or any associated Proposal PQ Alternate) is to be added to the Offer List pursuant to Section 4.5(c), any Proposal that is a Conflicting Federal Crown Land Proposal with such Proposal that is ranked lower on the Preliminary List will not be evaluated further and will be rejected, provided that in the event any Proposal PQ Alternate in respect of such rejected Conflicting Federal Crown Land Proposal does not overlap with the Project Site of the Proposal (or Proposal PQ Alternate) being added to the Offer List, such Proposal PQ Alternate of the rejected Conflicting Federal Crown Land Proposal will remain on the Preliminary List and will be evaluated in its ranked order.

4.6 Selected Proponent

Any Proponent whose Proposal is included on the Offer List shall be a “**Selected Proponent**” and shall be required to enter into an LLT(c) Contract as described in Section 2.2 in respect of the applicable Proposal(s), and to carry out the provisions of the LLT(c) Contract.

SECTION 5 – ADDITIONAL TERMS AND CONDITIONS

5.1 General Terms and Conditions

- (a) For the purpose of determining time of receipt of any submission, the clock at the prescribed location for submission shall govern.
- (b) The onus remains solely with the Proponent to deliver submissions as specified in this LLT(c) RFP by the relevant deadline.

5.2 LLT(c) RFP Documents

- (a) The following materials form part of, and are incorporated into, this LLT(c) RFP:
 - (i) the body of this LLT(c) RFP and all Appendices;
 - (ii) any Addenda; and
 - (iii) all Prescribed Forms.
- (b) Any conflict or inconsistency between this LLT(c) RFP, the Prescribed Forms, the Appendices, or Addenda, if any, shall be resolved by interpreting the documents and information in the following order from highest priority to lowest priority:

- (i) Addenda;
 - (ii) the body of this LLT(c) RFP and APPENDIX A;
 - (iii) other Appendices to this LLT(c) RFP; and
 - (iv) Prescribed Forms.
- (c) All other information and materials are provided for information purposes only, do not form part of this LLT(c) RFP and are not binding on the IESO.
 - (d) In the event of any conflict or inconsistency between the terms of this LLT(c) RFP and the Proposal, this LLT(c) RFP shall govern over the Proposal to the extent of any conflict or inconsistency.
 - (e) Once the LLT(c) Contract is executed, the LLT(c) Contract will govern over this LLT(c) RFP.

5.3 Compliance

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

For the purpose of clarity, each Proponent acknowledges and agrees that the IESO’s evaluation of compliance with this LLT(c) RFP is not an evaluation of absolute compliance and that the IESO may waive failures to comply that, in the IESO’s Discretion, do not constitute a Material Deviation.

5.4 Return of Proposal Security

- (a) For each Proponent whose Proposal does not pass any of the stages set out in Section 4 of this LLT(c) RFP, the applicable Proposal Security will be returned to the address provided on the Proposal Submission Label within ten (10) Business Days of the Proponent being notified by the IESO that their Proposal did not pass any of the stages set out in Section 4 of this LLT(c) RFP or that their Proposal was otherwise rejected.
- (b) For the Selected Proposal(s), the Selected Proponent is required to authorize the IESO to convert the Proposal Security into Completion and Performance Security, which will be retained by the IESO for purposes of the LLT(c) Contract.

5.5 Participation Costs

- (a) Each Proponent will bear all costs and expenses in connection with its participation in this LLT(c) RFP, including any costs incurred in the review of this LLT(c) RFP and any expert advice required in responding to this LLT(c) RFP.
- (b) The IESO and its advisors shall not be liable to pay any Proponents costs under any circumstances. In particular, the IESO will not reimburse the Proponents in any manner whatsoever in the event of rejection or disqualification of any or all Proposals or in the event of the cancellation of this LLT(c) RFP for any reason.
- (c) Subject to Section 5.6, by submitting any submission in response to this LLT(c) RFP, the Proponent irrevocably and unconditionally waives any claims against the IESO and its advisors relating to the Proponent's costs and expenses.

5.6 Material Breach of this LLT(c) RFP

Each Proponent agrees that, if the IESO commits a material breach of this LLT(c) RFP, the IESO's liability to the Proponent, and the aggregate amount of damages recoverable against the IESO for any matter relating to or arising from that material breach, whether based upon an action or claim in contract, warranty, equity, negligence, intended conduct or otherwise, including any action or claim arising from the acts or omissions, negligent or otherwise, of the IESO, shall be no greater than the submission preparation costs that the Proponent seeking damages from the IESO can demonstrate and shall in any event not include any lost profits or indirect, punitive or consequential damages.

5.7 Verification

All statements, information and documentation submitted as part of any Proposal are subject to verification and enforcement in accordance with the terms of this LLT(c) RFP. If such statements, information or documentation are determined by the IESO to be incorrect or misleading, the IESO reserves the right to re-evaluate the Proposal and the Proponent's status.

5.8 Other Procurement Processes

- (a) Participation in this LLT(c) RFP shall not preclude participation in any other present or future IESO procurements (provided that all requirements and criteria set out under each such procurement are satisfied).
- (b) This LLT(c) RFP is not in any way intended to preclude, restrict or otherwise discourage any Proponent from proceeding with the development of facilities or resources outside the scope of the IESO's procurement processes.

5.9 Governing Law

This LLT(c) RFP shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Proponent submits to the exclusive jurisdiction of the courts of the Province of Ontario situated in Toronto.

5.10 Reserved Rights

Notwithstanding any other provision of this LLT(c) RFP, the IESO reserves the right to:

- (a) request written clarification or the submission of supplementary written information from any Proponent and incorporate the response to that request for clarification into the that party's submission;
- (b) meet with some or all Proponents to discuss aspects of their submissions;
- (c) verify with any Proponent, or with a third party, any information set out in a submission;
- (d) contact any party providing financing, including obtaining information on such party whether directly from the party or a third party;
- (e) disqualify any Proponent whose submission contains misrepresentations or any other inaccurate or misleading information;
- (f) waive any informality or irregularity at the IESO's Discretion;
- (g) disqualify any Proponent or the submission of any such party who has engaged in conduct prohibited by this LLT(c) RFP;
- (h) make changes, including substantial changes, to this LLT(c) RFP in the manner set out in this LLT(c) RFP;
- (i) cancel this LLT(c) RFP process at any stage;
- (j) cancel this LLT(c) RFP process at any stage and issue a new process for the same or similar deliverables;
- (k) reject any or all Proposals at the IESO's Discretion;
- (l) accept Proposals in excess of the Target Capacity or the Class II LDES Cap, as applicable;
- (m) accept any Proposals for which the Fixed Capacity Payment is in excess of the threshold set out in Section 4.4(b);
- (n) if only one Proposal is received, elect to accept or reject it; or

and these reserved rights are in addition to any other express rights or any other rights which may be implied in the circumstances, and the IESO shall not be liable for any expenses, costs, losses or any direct or indirect damages incurred or suffered by any Proponent, or any third party resulting from the IESO exercising any of its express or implied rights under this LLT(c) RFP.

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

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APPENDIX A – GLOSSARY OF TERMS

[NTD: definitions to be updated based on final RFP design, including Rated Criteria.]

Addenda			means the documents expressly identified as addenda and issued by the IESO to Proponents in accordance with this LLT(c) RFP and “ Addendum ” means any one of such documents.
Adjusted Capacity	Monthly	Contract	has the meaning given to it in the LLT(c) Contract.
Affiliate			has the meaning given to it in the LLT(c) Contract.
AIA Requirement	Component	One	means a written notice by way of e-mail delivered by the Proponent to the chief administrative officer or equivalent of an applicable Local Municipality which: (A) acknowledges that the Project Site in respect of a proposed LLT Capacity Project includes any lands located in areas designated as Prime Agricultural Area as of the delivery of the Pre-Engagement Confirmation Notice; and (B) includes documentation that the Proponent has evaluated alternative locations for its proposed Project Site, as informed by OMAFA Guidance.
AIA Components Requirement	Two and Three		has the meaning given to it in the LLT(c) Contract.
Ancillary Services			has the meaning given to it in the LLT(c) Contract.
AOR Held Lands			means provincial Crown lands that are the subject of an Applicant of Record Status with the Ontario Ministry of Natural Resources as reflected in mapping tools published or made publicly available by the Ontario Ministry of Natural Resources as of the Proposal Submission Deadline with metadata labeling the provincial Crown lands corresponding to a specific Applicant of Record Status and associated Applicant of Record.
Appendix or Appendices			means the Appendix or Appendices that form part of this LLT(c) RFP.

Applicant of Record	means a Person that is the named holder of an Applicant of Record Status in respect of AOR Held Lands by the Ontario Ministry of Natural Resources.
Applicant of Record ID #	Means the reference serial number issued by the Ontario Ministry of Natural Resources identifying Applicant of Record Status (e.g. in the format of “XP-XXXX”).
Applicant of Record Status	means a status designated by the Ontario Ministry of Natural Resources via a unique application of record serial number providing for the exclusive opportunity to the status holder thereof to pursue approvals for renewable energy projects on specified provincial Crown lands.
Blanket MS Confirmation Letter	<p>means a letter addressed to the IESO from the chief administrative officer (or equivalent) of each Local Municipality with land use authority over any of Municipal Lands comprising the Project Site that:</p> <p>(A) identifies: (i) the Proponent; (ii) the name, technology and maximum potential Contract Capacity of the LLT Capacity Project; and (iii) the Municipal Lands;</p> <p>(B) states that the Local Municipality supports the submission of the Proposal;</p> <p>(C) confirms that: (i) the Proponent has undertaken community and Indigenous engagement activities in respect of the LLT Capacity Project to the satisfaction of the Local Municipality; and (ii) the Proponent has delivered of a Pre-Engagement Confirmation Notice to the applicable Local Body Administrator dated no later than sixty (60) days prior to the date of the Blanket MS Confirmation Letter;</p> <p>(D) confirms whether the Municipal Lands are within any Prime Agricultural Areas or Specialty Crop Areas;</p> <p>(E) confirms, if the Municipal Lands are within any Prime Agricultural Areas, that the Proponent has completed the AIA Component One Requirement to the satisfaction of the Local Municipality; and</p> <p>(F) confirms that the Proponent has delivered a Pre-Engagement Confirmation Notice to an applicable Local Body Administrator in respect of the Local Municipality no</p>

later than sixty (60) days prior to the date of the Blanket MS Confirmation Letter.

Blanket Municipal Support Resolution means a resolution or other equivalent instrument signed by the applicable council members adopting the resolution of the Local Municipality in which the LLT Capacity Project is proposed to be located that expresses the support of the Local Municipality for the development, construction and operation of:

- (a) the LLT Capacity Project; or
- (b) multiple LLT Capacity Projects,

which support for such LLT Capacity Project(s) must be for purposes of the requirements of:

- (i) this LLT(c) RFP; or
- (ii) other long-term procurement initiatives of the IESO that are subsequent to the LLT(c) RFP,

and may be subject to all Laws and Regulations.

Business Day means a day, other than a Saturday or Sunday or statutory holiday in the Province of Ontario that is listed on the “*Physical and Financial Market Holiday Schedule*” (or any substantially equivalent future schedule) published by the IESO for purposes of the Market Rules, from time to time, but excluding from such statutory holidays Easter Monday, Remembrance Day and National Day for Truth and Reconciliation.

[Canadian-Status Supply Chain Participant] means [●]

Capacity Product has the meaning given to it in the LLT(c) Contract.

Capital Cost has the meaning given to it in the LLT(c) Contract.

Circuit means a designated electrical line that is a part of a Transmission System and that is designated by a number that is recognized in common among the Transmitter and the System Operator.

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Class II LDES Cap	has the meaning given to that term in Section 1.2.
Class II LDES Independent Engineer Certificate	means a certificate in the form set out in Exhibit A of the Prescribed Form: Independent Engineer Certificate or as otherwise provided for therein, which among other things, is signed and sealed by an Independent Engineer and contains the required information.
Class II LDES Technology	means (i) Liquid Air Energy Storage and (ii) Pumped Thermal Energy Storage.
Commercial Operation Date	has the meaning given to it in the LLT(c) Contract.
Commitment Period	has the meaning given to that term in Section 1.2.
Common Corridor Circuits	means Circuits that are parallel to one another and utilize the same, or proximate parallel land-based rights of way, or otherwise start and end at common transmission stations.
Common LDC Feeders	means Feeders that are owned by a common LDC.
Completion and Performance Security	has the meaning given to it in the LLT(c) Contract.
Compressed Air Energy Storage	means a storage system using pressurized air to store potential energy.
Confirmation of Unincorporated Territory	has the meaning given to that term in Section 2.1(c)(ix).
Conflict of Interest	<p>means, without limitation, any situation or circumstance where, in relation to this LLT(c) RFP process, the Proponent obtains an unfair advantage or engages in conduct, directly or indirectly, that may allow it to obtain an unfair advantage, including:</p> <p>(i) having or having access to information in the preparation of its Proposal that is confidential to the IESO or the Government of Ontario and that is not available to other Proponents;</p> <p>(ii) communicating with any official or representative of the IESO or the Government of Ontario or members of the</p>

Evaluation Team with a view to influencing preferred treatment in this LLT(c) RFP process; or

(iii) engaging in conduct (including breach of Non-Collusion Requirements) that compromises or could be seen to compromise the integrity of the open and fair LLT(c) RFP process and tend to render that process non-competitive and unfair.

Conflicting Federal Crown Land Proposals	has the meaning given to such term in Section 4.5(g).
Conflicting Provincial Crown Land Proposals	has the meaning given to such term in Section 4.5(f).
Connection Impact Assessment	means an assessment conducted by an LDC to determine the impact on the Distribution System of connecting the LLT Capacity Project to its Distribution System pursuant to the Distribution System Code.
Connection Line	means the electrical connection line connecting the LLT Capacity Project to the Connection Point, including ancillary equipment such as transformers and switchgear.
Connection Point	means, <ul style="list-style-type: none"> (i) where the LLT Capacity Project is connected to a Transmission System, the electrical point or points of connection, as defined in the Market Rules, between the LLT Capacity Project and the <i>IESO-controlled grid</i>; and (ii) where the LLT Capacity Project is connected to a Distribution System, the embedded connection point(s), as defined in the Market Rules, between the LLT Capacity Project and the Distribution System.
Connection Point Requirements	means the requirements set out in Section 2.1(g) of the LLT(c) RFP.
Constructing	means prior demonstrable experience in undertaking or overseeing the building, erecting, constructing, installing, testing, start-up and commissioning of an Electricity resource.
Contract Capacity	has the meaning given to it in the LLT(c) Contract.

Control	<p>means, with respect to any Person at any time:</p> <p>(a) holding, whether directly or indirectly, as owner or other beneficiary, (other than solely as the beneficiary of an unrealized security interest) securities or ownership interests of that Person carrying votes or ownership interests sufficient to elect or appoint fifty percent (50%) or more of individuals who are responsible for the supervision or management of that Person; or</p> <p>(b) the exercise of de facto control of that Person whether direct or indirect and whether through the ownership of securities or ownership interests, by contract or trust or otherwise,</p> <p>and “Controls” or “Controlled” has a corresponding meaning.</p>
Control Group Member	<p>means, in respect of any Proponent, an entity that: (a) Controls the Proponent, or (b) is Controlled by the Proponent, or (c) is Controlled by the same entity that Controls the Proponent.</p>
Crown	<p>means His Majesty the King in Right of the Province of Ontario or His Majesty the King in Right of Canada.</p>
Crown Land Project	<p>means Provincial Crown Land Project or Federal Crown Land Project, as applicable.</p>
Customer Impact Assessment	<p>means a study conducted by a Transmitter to assess the impact of the connection of an LLT Capacity Project on other users of the <i>IESO-controlled grid</i>.</p>
Developing	<p>means prior demonstrable experience in engaging in community and municipal consultations, obtaining site access, obtaining regulatory and environmental approvals and other permits necessary for construction of an Electricity resource, and where the Crown had a duty to consult obligation in the jurisdiction where the prior experience was obtained, undertaking the procedural aspects of consultation with Indigenous communities that</p>

are required to support the Crown's duty to consult obligations.

Deliverability Test	has the meaning given to that term in Section 4.5(a).
Designated Team Member	means an individual who is either a director, officer or an employee of the Proponent or a Control Group Member of the Proponent.
Distribution System	means a system connected to the <i>IESO-controlled grid</i> for distributing Electricity at voltages of 50 kilovolts or less, and includes any structures, equipment or other things used for that purpose, provided that a Distribution System shall be deemed not to include any equipment controlled by the IESO pursuant to the Distribution System Code.
Distribution System Code	means the "Distribution System Code" established and approved by the OEB, which, among other things, establishes the obligations of a local distribution company with respect to the services and terms of service to be offered to customers and retailers and provides minimum technical operating standards for Distribution Systems.
Discretion	means the sole and absolute discretion of the IESO.
Dollars	means Canadian dollars and cents.
Economic Bid Statement	means the Prescribed Form containing the proposed Fixed Capacity Payment.
Economic Interest	has the meaning given to it in the LLT(c) Contract.
Electrical Safety Authority	means the organization created and described pursuant to O.Reg 89/99 under the Electricity Act.
Electricity	means electric energy.
Electricity Act	means <i>Electricity Act, 1998</i> (Ontario).
Electricity Storage Facility(ies)	has the meaning given to it in the LLT(c) Contract.
Eligible LDES Technology	means (i) Class I LDES Technology or (ii) Class II LDES Technology that, in either case, does not utilise the

combustion of natural gas or other fossil fuels for the generation or delivery of any Electricity.

EPT	means Eastern Prevailing Time.
Evaluated Proposal Price	has the meaning given to that term in Section 4.4(c)(i).
Evaluation Team	means, collectively, the IESO's personnel and advisors (legal or otherwise) who are involved in evaluating Proposals.
Excluded Purposes	has the meaning given to that term in Section 3.5(a)(iii).
Existing Building	means a building or structure that has been designed to be used for the purpose of providing enclosure, shelter or protection to people or property, provided that it is occupied and used in accordance with all Laws and Regulations as of the Proposal Submission Deadline.
Facility	has the meaning given to it in the LLT(c) Contract.
Fairness Advisor	means the Person who is retained by the IESO to provide (i) independent assurance to Proponents and other stakeholders that the selection and contracting processes are fair and transparent, and (ii) a written statement that attests that the procurement process was conducted in an objective and fair manner.
Federal Crown Land Project	means an LLT Capacity Project in respect of which the Project Site is located in whole or in part on federal Crown land managed by Parks Canada Agency or any other Governmental Authority.
Federal Crown Land Shapefile	means a geographic information system shapefile with data in each of .shp, .shx, .dbf and .prj file formats that produces a single polygon shape outline of the boundary of the of the portions of the Project Site that are located on federal Crown lands and, if applicable, a separate single polygon shape outline of the boundary of the of the portions of the Project Site that are located on federal Crown lands for any Proposal PQ Alternate, displayed on the [NAD 83 Ontario MNR Lambert Conical] projected coordinate system: [EPSG:3161 (NAD83/Ontario MNR Lambert)], that is

substantially consistent with the content and format of the template crown land shapefile published on the Website.

Feeder	means a designated electrical line that is a part of a Distribution System and that is designated by a number that is recognized in common among the LDC and the System Operator.
Financing	means prior demonstrable experience arranging non-recourse project financing, bank financing, or on-balance sheet financing sufficient to commence construction.
First Nation Community	means, for the purposes of this LLT(c) RFP, <ul style="list-style-type: none"> (a) a First Nation located in whole or in part in Ontario that is a “band” as defined in the <i>Indian Act</i> (Canada); or (b) a Person, other than a natural Person, that has been determined by the Government of Ontario (for purposes of this LLT(c) RFP) to represent the collective interests of a community that is composed of First Nation natural Persons in Ontario.
Fixed Capacity Payment	has the meaning given to it in the LLT(c) Contract.
Global Adjustment or GA	means that adjustment made by the IESO pursuant to section 25.33 of the <i>Electricity Act</i> , or its successor.
Governmental Authority	means the Crown, any federal, provincial, or municipal government, parliament or legislature, or any regulatory authority, agency, tribunal, commission, board or department of any such government, parliament or legislature, or any court or other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, including the IESO, the OEB, the Electrical Safety Authority, and any Person acting under the authority of any Governmental Authority.
GW	means gigawatt.
GWh	means gigawatt hour.
IESO	means the Independent Electricity System Operator.

IESO-Controlled Grid	has the meaning given to it in the LLT(c) Contract.
Independent Engineer	has the meaning given to it in the LLT(c) Contract.
Indigenous Consultation Information Package	means [●]. [NTD: to be developed for the LLT(c) RFP.]
Indigenous Community	means, for the purposes of this LLT(c) RFP, a First Nation Community or a Métis Community.
Indigenous Holding Vehicle	means a Person, other than a natural Person, where the Economic Interest in such Person is held, directly or indirectly, solely by one or more Indigenous Communities.
Indigenous Participation Level	has the meaning given to that term in LLT(c) Contract.
Indigenous Lands	means: <ul style="list-style-type: none"> (a) “reserve” land as set out in the <i>Indian Act</i> (Canada); (b) “designated lands” as set out in the <i>Indian Act</i> (Canada); (c) “special reserves” as set out in s. 36.1 of the <i>Indian Act</i> (Canada); (d) fee simple lands that are held in trust for the benefit of a First Nation in Ontario that is a “band” as defined in the <i>Indian Act</i> (Canada), provided that those lands are the subject of an application or proposal by such First Nation to have Canada set the lands apart as reserve lands pursuant to Canada’s “Additions to Reserve /Reserve Creation Policy Directive” (2016) or the <i>Addition of Lands to Reserves and Reserve Creation Act</i> (Canada); (e) Crown land or other lands that Canada has agreed to recommend be set apart as reserve for a First Nation in Ontario that is a “band” as defined in the <i>Indian Act</i> (Canada), in settlement of such First Nation’s land claim; or (f) “settlement lands” transferred to the Algonquins of Ontario or its Institutions pursuant to the Algonquins of Ontario Treaty with Canada and Ontario (“Treaty”), or otherwise held by the Algonquins of Ontario or its institutions pursuant to the Treaty, for the benefit of one or

more of the Algonquins of Ontario communities or Treaty beneficiaries.

Indigenous Resolution in Support of Proposal Submission	means a band council resolution (or equivalent) from the Indigenous Community with authority over the applicable Indigenous Lands substantially in accordance with Exhibit A of the Prescribed Form: Evidence of Indigenous Support (Capacity) which, among other things, indicates that the Indigenous Community supports the submission of the Proposal and confirms that the Proponent has undertaken community and Indigenous engagement activities in respect of the LLT Capacity Project to the satisfaction of the Indigenous Community.
Indigenous Support Confirmation	means any of an Indigenous Resolution in Support of Proposal Submission or an Indigenous Support Confirmation Letter.
Indigenous Support Confirmation Letter	<p>means a letter or an instrument addressed to the IESO by one or more individuals authorized by an executed band council resolution of such Indigenous Community which:</p> <p>(A) identifies:</p> <p>(i) the Proponent;</p> <p>(ii) the name, technology and Maximum Contract Capacity of the LLT Capacity Project; and</p> <p>(iii) the Indigenous Lands; and</p> <p>(B) states that the Indigenous Community supports the submission of the Proposal;</p> <p>(C) confirms that the Proponent has undertaken community and Indigenous engagement activities in respect of the LLT Capacity Project to the satisfaction of the Indigenous Community; and</p> <p>(D) confirms that the Proponent has delivered a Pre-Engagement Confirmation Notice to an applicable Local Body Administrator in respect of the Indigenous Community no later than sixty (60) days prior to the date of the Indigenous Support Confirmation Letter.</p>

Land Use Planner	means an individual who is a member in good standing of the Canadian Institute of Planners and is a registered professional planner in Ontario with the Ontario Professional Planners Institute.
Laws and Regulations	means: <ul style="list-style-type: none"> (a) applicable Canadian federal, provincial or municipal laws, orders-in-council, by-laws, codes, rules, policies, regulations and statutes; (b) applicable orders, decisions, codes, judgments, injunctions, decrees, awards and writs of any court, tribunal, arbitrator, Governmental Authority or other Person having jurisdiction; (c) applicable rulings and conditions of any licence, permit, certificate, registration, authorization, consent and approval issued by a Governmental Authority; (d) any requirements under or prescribed by applicable common law; and (e) the Market Rules, as well as any manuals or interpretation bulletins issued by the IESO from time to time in relation thereto.
LDC	means the owner or operator of a Distribution System who is licensed by the OEB as an “electricity distributor”.
Liquid Air Energy Storage	means a storage system that uses electricity to compress air until it becomes a liquid and saves the released thermal energy in a high-grade thermal storage mechanism.
Liquidated Damages Rate	has the meaning given to it in the LLT(c) Contract.
LLT Capacity Project	has the meaning given to that term in Section 2.1(c)(i).
LLT(c) Contract	has the meaning given to that term in Section 1.2.
LLT(c) Contract Receipt Date	has the meaning given to that term in Section 3.8(a)(ii).
LLT(c) RFP	has the meaning given to that term in Section 1.2.

Local Body Administrator	means (i) in respect of a Local Municipality, the chief administrative officer, or equivalent; or (ii) in respect of Indigenous Lands, one or more individuals with authority to bind the applicable Indigenous Community with authority over the Indigenous Lands.
Local Municipality	means any corporation that is a “local municipality” as defined in and for the purposes of the <i>Municipal Act, 2001</i> (Ontario) or the <i>City of Toronto Act, 2006</i> (Ontario).
Local Body Administrator	means (i) in respect of a Local Municipality, the chief administrative officer, or equivalent; or (ii) in respect of Indigenous Lands, one or more individuals with authority to bind the applicable Indigenous Community with authority over the Indigenous Lands.
Mandatory Requirements	has the meaning given to that term in Section 4.2.
Market Rules	means the rules made under section 32 of the <i>Electricity Act</i> .
Material Deviation	<p>means a deviation from the Registered Applicant’s or Proponent’s obligations contained in this LLT(c) RFP that, in the Discretion of the IESO</p> <p>(i) affects such party’s or the IESO’s obligations or rights in any material way;</p> <p>(ii) affects the obligations or rights of other Proponents or Registered Applicants under this LLT(c) RFP; or</p> <p>(iii) results in a failure to satisfy a material component of any requirement set out in this LLT(c) RFP.</p>
Maximum Contract Capacity	has the meaning given to it in the LLT(c) Contract.
Métis Community	<p>means, for the purposes of this LLT(c) RFP:</p> <p>(a) the Métis Nation of Ontario or any of its regions or active Chartered Community Councils; or</p> <p>(b) a Person, other than a natural Person, that has been determined by the Government of Ontario (for purposes of this LLT(c) RFP) to represent the collective interests of a</p>

		community that is composed of Métis natural Persons in Ontario.
Ministerial Directive		has the meaning given to that term in Section 1.2.
Ministry		means the Ontario Ministry of Energy and Mines, or any future replacement thereof.
MNR Confirmation Letter		has the meaning given to that term in Section 3.7(c)(i).
Milestone Date for Commercial Operation		has the meaning given to it in the LLT(c) Contract.
Monthly Average Offered Quantity		has the meaning given to it in the LLT(c) Contract.
Municipality		means any corporation that is a “local municipality” or an “upper-tier municipality” as defined in and for the purposes of the <i>Municipal Act, 2001</i> (Ontario) or the <i>City of Toronto Act, 2006</i> (Ontario).
Municipal Lands		means any Properties that are subject to the land use authority of an applicable Local Municipality.
Municipal Resolution in Support of Proposal Submission		means a resolution or other instrument signed by the applicable council members adopting the resolution of the Local Municipality in which the LLT Capacity Project is proposed to be located substantially in accordance with the form set out in Exhibit A of the Prescribed Form: Evidence of Municipal Support (Capacity) which, among other things, indicates that the Local Municipality supports the submission of the Proposal.
Municipal Support Confirmation		means either (i) a Municipal Resolution in Support of a Proposal Submission or (ii) a Blanket Municipal Support Resolution provided together with a Blanket MS Confirmation Letter.
MW		means megawatt.
Nameplate Capacity		has the meaning given to that term in LLT(c) Contract.
New Build		means the development and construction of an Electricity Storage Facility that is not an Upgrade or Redevelopment.

Non-Collusion Requirements	<p>means requirements that a Proponent under the LLT(c) RFP:</p> <p>(a) not coordinate its Proposal with any other Proponent;</p> <p>(b) keep and will continue to keep its Proposal confidential until the conclusion of the LLT(c) RFP and selection of the Selected Proposal(s), if any;</p> <p>(c) ensure that no member of the Proponent has entered into any agreement or arrangement with any member of another Proponent which may affect the Proposal submitted by the Proponent or the other Proponent; and</p> <p>(d) not engage in any activity or communication that results in a Conflict of Interest, collusion or a violation of any of the civil or criminal provisions of the <i>Competition Act</i> (Canada).</p>
Northern Zone	means the collective Ontario territorial Districts of Kenora, Rainy River, Thunder Bay, Cochrane, Algoma, Sudbury, Timiskaming, Nipissing, Manitoulin and Parry Sound.
OEB	has the meaning given to that term in Section 1.1(b).
Offer List	has the meaning given to that term in Section 4.5(c).
Operating	means prior demonstrable experience operating, monitoring, maintaining, inspecting and repairing an Electricity resource.
Official Plan	means the current official plan of a Local Municipality approved under Section 17 of the Planning Act or that of a planning board established pursuant to Section 10 of the Planning Act.
OMAFA	means the Ontario Ministry of Agriculture, Food and Agribusiness, or any future replacement thereof.
OMAFA Guidance	means the documents and materials issued by OMAFA on the Website in respect of agricultural impact assessments or any future equivalent or replacement thereof.
Period of Irrevocability	has the meaning given to that term in Section 3.7(f)(i).

Permitted Purposes		has the meaning given to that term in Section 3.5(a).
Person		means a natural person, firm, trust, partnership, limited partnership, company or corporation (with or without share capital), sole proprietorship, Governmental Authority or other entity of any kind.
Planning		means prior demonstrable experience preparing, designing, scheduling, engineering and procurement of materials and equipment for an Electricity resource.
Planning Act		means the <i>Planning Act</i> (Ontario).
Pre-Engagement Notice	Confirmation	means a written notice by way of e-mail or certified mail delivered to an applicable Local Body Administrator as described in the Prescribed Form: Evidence of Municipal Support (Capacity) or Prescribed Form: Evidence of Indigenous Support (Capacity), as applicable, which, among other things, indicates that the Proponent intends to submit a Proposal under the LLT(c) RFP and seeks to confirm applicable land-use details in relation to the proposed Project Site (or portion thereof).
Preliminary List		has the meaning given to that term in Section 4.4(c).
Prescribed Form		means, in relation to a form, the latest version available on the Website of the corresponding form referred to and incorporated in this LLT(c) RFP, as may be amended or replaced by the IESO from time to time and without notice to the Proponent.
Primary Proposal PQ		means, for any Proposal that includes a Proposal PQ Alternate or two (2) Proposal PQ Alternates, the portions of the Proposal describing the LLT Capacity Project with the largest Maximum Contract Capacity and the Project Site with the largest area and the corresponding Fixed Capacity Payment attributable to such largest, primary LLT Capacity Project (as set out in section 2 of the Prescribed Form: Economic Bid Statement (Capacity)).
Prime Agricultural Area		has the meaning given to that term in any Official Plan and includes any substantially similar designation in any Official Plan, or in any substantially similar instrument issued pursuant to the <i>Northern Services Boards Act</i> (Ontario), for agricultural land use designation purposes

based on the definition of “Prime Agricultural Area” in the Provincial Planning Statement, 2024.

Project Site		means all Properties on which the proposed LLT Capacity Project is to be located, excluding any Connection Line.
Property		means a parcel or lot of real property as identified by a Property Identification Number or, in the absence thereof, by another legal description by lot and/or parcel number or similar legal description or by other appropriate description using metes and bounds or GPS coordinates. In the case of provincial Crown land or federal Crown land, Property means real property identified by GPS co-ordinates of the Property.
Property Identification Number or PIN		means the property identifier assigned to a property in accordance with the <i>Registry Act</i> (Ontario), s 21(2) or in accordance with the <i>Land Titles Act</i> , (Ontario), s 141(2).
Proponent		means the Person that has submitted a Proposal.
Proponent Group Limit		has the meaning given to that term in Section 3.7(a).
Proponent Participation Level	Indigenous	<p>means the percentage of the total Economic Interest in the Proponent as of the Proposal Submission Deadline that is held by one or more Indigenous Communities or Indigenous Holding Vehicles that each hold at least ten percent (10%) of the Proponent’s total Economic Interest as of the Proposal Submission Deadline, provided that:</p> <p>(i) where the Project Site is proposed to be located in whole or in part on Indigenous Lands and the Proposal includes an Indigenous Support Confirmation as required under Section 2.1(c)(iv), only the Economic Interest of the Indigenous Community that provided such Indigenous Support Confirmation will be included in the Proponent Indigenous Participation Level, including where such Indigenous Community holds its Economic Interest in the Proponent through an Indigenous Holding Vehicle; and</p> <p>(ii) where a Proponent is itself an Indigenous Community, the Proponent Indigenous Participation Level shall be 100%.</p>

Proposal	has the meaning given to that term in Section 3.7(b).
Proposal Fee	has the meaning given to that term in Section 3.7(c)(i).
Proposal PQ Alternate	<p>means, in respect of a Proposal, a ranked alternative smaller size for the Maximum Contract Capacity of the proposed LLT Capacity Project that:</p> <p>(i) is located within the boundaries of the same identified Project Site as the Primary Proposal PQ; and</p> <p>(ii) subject to the Connection Point Requirements, uses the same Connection Point (or portion thereof) as the Primary Proposal PQ,</p> <p>with a corresponding proposed alternate Fixed Capacity Payment.</p>
Proposal Security	<p>means one or more irrevocable and unconditional standby letters of credit issued by a financial institution listed in either Schedule I or II of the Bank Act (Canada), or such other financial institution having a minimum credit rating of (i) A- with S&P, (ii) A3 with Moody's, (iii) A (low) with DBRS Morningstar, or (iv) A- with Fitch IBCA, in substantially the form attached as APPENDIX D. of the LLT(c) RFP or in a form acceptable to the IESO, acting reasonably.</p>
Proposal Submission Deadline	means the Proposal Submission Deadline date and time as set out in the Schedule.
Proposal Submission Label	has the meaning given to that term in Section 3.7(d)(iv).
Proposal Workbook	<p>means an electronic copy of, in Microsoft excel format, the provided Proposal workbook forming a part of the Prescribed Form: Proponent Information, Declarations and Workbook (Capacity) and containing information regarding the LLT Capacity Project and the Proponent, including the technology type, fuel source, Project Site, Connection Point, and the mandatory and rated criteria-related information.</p>
Provincial Crown Land Project	an LLT Capacity Project in respect of which the Project Site is located in whole or in part on provincial Crown land.

Provincial Crown Land Shapefile	means a geographic information system shapefile with data in each of .shp, .shx, .dbf and .prj file formats that produces a single polygon shape outline of the boundary of the Project Site and, if applicable, a separate single polygon shape outline of the boundary of the Project Site for any Proposal PQ Alternate, displayed on the NAD 83 Ontario MNR Lambert Conical projected coordinate system: EPSG:3161 (NAD83/Ontario MNR Lambert), that is substantially consistent with the content and format of the template crown land shapefile published on the Website.
Provincial Crown Land Site Report Form	means a “Provincial Crown Land Site Report Form” in the format and as defined by the Ontario Ministry of Natural Resources at https://www.ontario.ca/page/renewable-energy-crown-land .
Provincial Planning Statement, 2024	means the 2024 policy statement issued by the Minister of Municipal Affairs and Housing under section 3 of the Planning Act and approved by the Lieutenant Governor in Council via Order in Council No. 1099/2024.
Pumped Hydroelectric Storage	means a storage system that uses the pumping and release of water between two reservoirs at different elevations to store and retrieve potential energy.
Pumped Thermal Storage	means a storage system that converts electricity into heat, which is stored as thermal energy and is later converted back into electricity by means of reversible thermodynamic cycles.
Qualifying Hours	has the meaning given to it in the LLT(c) Contract.
Qualifying Project	means an Electricity generation or Electricity Storage Facility: <ul style="list-style-type: none"> (A) with a nameplate capacity of at least ten (10) MW (measured in alternating current in the case of solar powered generation); and (B) that has achieved commercial operation in any jurisdiction in Canada or the United States of America no

more than fifteen (15) years prior to the Proposal Submission Deadline.

Question and Comment Deadline		means the Question and Comment Deadline date as set out in the Schedule.
Rated Criteria Points		means the criteria set out in Section 4.3.
Redevelopment		means the substantial replacement of physical infrastructure constituting an existing Electricity resource.
Registrant ID		has the meaning given to that term in Section 3.4(b).
Registration Fee		has the meaning given to that term in Section 3.4(a).
Registration Start Date		means the Registration Start Date as set out in the Schedule.
Regulation Facility	Ready-Required	has the meaning given to that term in the LLT(c) Contract.
Regulation Services Requirements	Readiness	has the meaning given to that term in the LLT(c) Contract.
Reserve Price		means a confidential price threshold (in \$ per MW per Business Day) determined by the IESO and documented with the Fairness Advisor prior to the Proposal Submission Deadline.
Resident		means “ordinarily resident” as that expression has been judicially interpreted for the purposes of the <i>Income Tax Act</i> (Canada).
RFP Effective Date		means the RFP Effective Date as set out in the Schedule.
Same Project	Technology Qualifying	means an Electricity Storage Facility that uses the same storage technology as that proposed for the LLT Capacity Project: (A) with a nameplate capacity of at least one (1) MW; and B) that is expected to achieve commercial operation on or before December 31, 2029.

Schedule	has the meaning given to that term in Section 3.1(a).
Selected Proponent	has the meaning given to that term in Section 4.6.
Selected Proposal	means any Proposal which included on the Offer List.
Specialty Crop Area	has the meaning given to that term in the Provincial Planning Statement, 2024.
Supplier	has the meaning given to it in the LLT(c) Contract.
Survey Permit	has the meaning given to it in Section 2.1(c)(viii).
System Impact Assessment	means a study conducted by the IESO pursuant to the Market Rules, to assess the impact of a new connection of a generation facility or of the modification of an existing connection of a generation facility on the performance of the <i>IESO-controlled grid</i> and the reliability of the integrated power system.
Target Capacity	has the meaning given to that term in Section 1.2.
Team Member Experience	has the meaning given to that term in Section 2.1(a)(ii).
Transmission System	means a system for conveying Electricity at voltages of more than 50 kilovolts and includes any structures, equipment or other things used for that purpose.
Transmission System Code	means the “Transmission System Code” approved by the OEB and in effect from time to time, which, among other things, sets the standards for a Transmitter’s existing Transmission System and for expanding the Transmitter’s transmission facilities in order to connect new customers to it or accommodate increase in capacity or load of existing customers.
Transmitter	means a Person licensed as a “transmitter” by the OEB in connection with a Transmission System.

Ultimate Controlling Parent	means, in respect of any reference Person other than a natural person, a Person that Controls such reference Person and that is not itself Controlled by any other Person.
Unincorporated Territory	means any Properties that: (i) are located in areas of the Province of Ontario without municipal organization; (ii) are not Indigenous Lands; and (iii) are not provincial or federal Crown land.
Unique Project ID	means the unique project reference number assigned to an LLT Capacity Project by the IESO pursuant to the registration process set out in Section 3.4.
Upgrade	means the refurbishment, replacement or addition of equipment or technology in respect of an existing Electricity resource.
Website	means that section of the IESO's website referenced as "Long-Lead-Time RFP" that is dedicated to the LLT(c) RFP process and is at Long Lead-Time RFP .
Withdrawal Capability	has the meaning given to it in the LLT(c) Contract.

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APPENDIX B – LLT(C) CONTRACT

The LLT(c) Contract available on the Website is incorporated in this APPENDIX B by reference.

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APPENDIX C – PROPOSAL SUBMISSION LABEL

RFP No.: LLT(c) RFP

Full Legal Name and Address of the Proponent

NAME:

LLT CAPACITY PROJECT'S NAME:

UNIQUE PROJECT ID:

ADDRESS:

CONTACT:

PHONE NO.:

E-MAIL:

**Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1
Attention: LLT(c) RFP**

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

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

DATE OF ISSUE: [●]

APPLICANT: [●]

BENEFICIARY: Independent Electricity System Operator and its permitted assigns (the “**Beneficiary**”)
 120 Adelaide Street West, Suite 1600
 Toronto, ON M5H 1T1

AMOUNT: [●]

EXPIRY DATE: [●]

EXPIRY PLACE: Counters of the issuing financial institution in Toronto, Ontario

CREDIT RATING: **[Insert credit rating only if the issuer is not a financial institution listed in either Schedule I or II of the *Bank Act*]**

TYPE: Irrevocable and Unconditional Standby Letter of Credit Number: [●] (the “**Credit**”)

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

The Credit is issued in connection with the Beneficiary’s Request for Proposals dated [**<insert RFP Effective Date>**], as amended, to solicit capacity services from new-build facilities in Ontario (the “**LLT(c) RFP**”) and the Proposal dated [●] for the LLT Capacity Project bearing Unique Project ID [●] submitted by the Applicant in response thereto (the “**Proposal**”).

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

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

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

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

or

- (ii) “The Supplier is in breach of, or default under, the LLT(c) Contract, and therefore the Beneficiary is entitled to draw upon the Credit in the amount of the draft attached hereto.”

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

Partial drawings are permitted.

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

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

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

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

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

“We, the undersigned Beneficiary to [Issuing Bank Name] Letter of Credit No. [●], hereby waive all our rights under the Letter of Credit and request that the current name and address of the Beneficiary thereunder be amended to read [insert name and address of new Beneficiary]. We have enclosed the original Letter of Credit and all amendments (if

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

[Issuing Bank Name]

By: _____

By: _____

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