

IESO LONG-TERM 2 (CAPACITY) REQUEST FOR PROPOSALS

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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 LT2(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 retirement of the Pickering nuclear plant, the refurbishment of other 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 described in the Annual Planning Outlook published on the IESO’s website in March, 2024 (“**APO**”), one of the mechanisms intended to support the IESO’s resource adequacy initiatives is this Long-Term 2 Capacity Services Request for Proposals (the “**LT2(c) RFP**”), which is intended to acquire capacity services to meet system reliability needs from New Build resources starting by (i) **[May 1, 2030 or earlier in respect of**

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Non-Electricity Storage Facilities] or (ii) [May 1, 2031 or earlier in respect of Electricity Storage Facilities].

- (c) Through the Expedited Long-Term Request for Proposals published on December 6, 2022, as amended (the “**E-LT1 RFP**”) the IESO competitively procured more than 1,100 MW of year-round capacity services from new build Electricity resources and approximately 285 MW of year-round capacity services from Eligible Expansion Electricity resources, on a maximum contract capacity basis.
- (d) Through the Long-Term Request for Proposals published on September 29, 2023, as amended (the “**LT1 RFP**”) for new build and Eligible Expansion Electricity resources able to commit to commercial operation as early as 2028, the IESO competitively procured 2,194 MW of year-round capacity services on a maximum contract capacity basis.
- (e) The LT2(c) RFP is intended to competitively procure up to [● MW] of year-round capacity services (the “**Target Capacity**”), on a Maximum Contract Capacity basis..
- (f) The LT2(c) RFP is expected to competitively procure year-round Contract Capacity from dispatchable New Build resources larger than one (1) MW, registered or able to become registered in the *IESO-administered markets*, other than as *variable generation*, or as a *self-scheduling generation facility*, and which can deliver a continuous amount of Electricity to a Connection Point on a Distribution System or Transmission System during the Qualifying Hours for at least **[eight (8)]** consecutive hours.
- (g) The Selected Proponents of the LT2(c) RFP are required to enter into an Long-Term Reliability Services 2 Contract in the form set out in APPENDIX B (the “**LT2(c) Contract**”) with the IESO for a commitment period commencing on the commercial operation date of the Long-Term Reliability Project as set out in the LT2(c) Contract and expiring on (i) **[April 30, 2050 in respect of Non-Electricity Storage Facilities]** or (ii) **[the earlier of April 30, 2051 and the twentieth (20th) anniversary of the Commercial Operation Date in respect of Electricity Storage Facilities]** (the “**Commitment Period**”).

1.3 Defined Terms

- (a) Capitalized terms used in this LT2(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 the LT2(c) RFP have the meanings given to them in the LT2(c) Contract.

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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 must have at least two (2) Designated Team Members who have experience in the Planning, Developing, Financing, Constructing and Operating of at least one (1) Qualifying Project, where such individuals had managerial authority in respect of such functions (the “**Team Member Experience**”). The Proponent may have more than two (2) Designated Team Members on its Proponent Team to satisfy the aggregate Team Member Experience requirements relating to each of the Planning, Developing, Financing, Constructing and Operating requirements (for instance, if a Designated Team Member does not have experience in all of the five categories). 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.
- (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) Long-Term Reliability Project

- (i) Each Proponent shall make the necessary investments to successfully develop, own, operate and maintain a New Build with a Nameplate Capacity of more than one (1) MW, that provides dispatchable capacity services to meet system reliability needs, that is directly connected to a Distribution System or a Transmission System in Ontario, that it is registered under the Market Rules as a *registered facility* other than as *variable generation*, or as a *self-scheduling generation facility* (a “**Long-Term Reliability Project**”), should they be offered an LT2(c) Contract. Each Proposal must be specific to a single Long-Term Reliability Project.

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- (ii) 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, conservation authorities, Indigenous communities or other applicable authorities, as each may be applicable to their Long-Term Reliability 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.
 - (iii) 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. All Proposals where the Project Site is proposed to be located, in whole or in part on Municipal Project Lands, Indigenous Lands, or Unincorporated Territory must include evidence of the delivery of a Pre-Engagement Confirmation Notice to the applicable Local Body Administrator dated no later than [●].
 - (iv) 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).
 - (v) For any Proposal where the Project Site is proposed to be located in whole or in part on Municipal Project Lands, the Proposal must include a Municipal Support Confirmation as a part of the Prescribed Form: Evidence of Municipal Support (Capacity).
 - (vi) For any Proposal where the Project Site is proposed to be located in whole or in part on Crown Lands, the Proposal must include an endorsement of the Proponent's Crown Land Site Report from the Ontario Ministry of Natural Resources as part of the Prescribed Form: Access Rights Declaration (Capacity).
- (d) Agricultural Lands
- (i) The Project Site in respect of a Long-Term Reliability 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 a Facility includes lands that are located within a Prime Agricultural Area as of the Proposal

Submission Deadline (other than a Non-Rooftop Solar Project, which are not eligible to be located within Prime Agricultural Areas), 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 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 Agricultural Impact Assessment with respect to the Facility and stating that such Agricultural Impact Assessment is satisfactory to the Municipality.

- (iii) If the Supplier fails to meet the requirements described above such failure shall constitute a Supplier Event of Default under the LT2(c) Contract. If the IESO elects to terminate the LT2(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.

2.2 Overview of the LT2(c) Contract

- (a) This Section 2.2 provides an overview of certain sections of the LT2(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 LT2(c) Contract, the terms of the LT2(c) Contract shall prevail.
- (b) The Proponents whose Proposals are selected must enter into the LT2(c) Contract as Suppliers under their own names.
- (c) Given its focus on system reliability needs, the LT2(c) Contract will compensate Suppliers for the availability of the capacity of their Facility during the Commitment Period. As such, the LT2(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 LT2(c) Contract will pay Suppliers a fixed monthly capacity payment based on the daily “**Fixed Capacity Payment**” (or “**FCP**”) (in units of \$/MW-Business Day) multiplied by the number of

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Business Days in the month and multiplied by their Monthly Contract Capacity (the “**Monthly Capacity Payment**”). The FCP will be established based on the Proposal Price submitted in accordance with this LT2(c) RFP. The Maximum Contract Capacity may not be more than ninety-five percent (95%) of the Nameplate Capacity of the Facility.

- (ii) Twenty percent (20%) of the FCP will be adjusted for inflation based on year-over-year change in the Consumer Price Index during the Commitment Period of the LT2(c) Contract.
- (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, will be for the benefit of the Supplier in accordance with the LT2(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, 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 LT2(c) Contract is \$150/MW 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 LT2(c) Contract is the date that is eighteen (18) months after the Milestone Date for Commercial Operation.
- (iii) For Facilities other than Electricity Storage Facilities, the LT2(c) Contract will seek to incentivize early operation. If Commercial Operation of such Facility is achieved before the COD Bonus End Date, the Supplier shall be entitled to apply a fixed payment multiplier to the Fixed Capacity Payment, which will be determined based on the time period in which the COD was achieved (set out below in Section 2.2(e)(iv)) and which Early COD Payment Multiplier shall apply for the period starting on the COD until the COD Bonus End Date. The COD Bonus End Date shall be fixed and not subject to change for any reason, including an event of Force Majeure.
- (iv) Early COD Payment Multiplier for Non-Electricity Storage Facilities

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Commercial Operation Date	COD Payment Multiplier
Prior to and until ●	●
From ● to ●	●
From ● to ●	●

(f) *Force Majeure*

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 an Outage arising from such confirmed Force Majeure event (the “**Force Majeure Capacity Reduction Factor**”) which will be applied to the Monthly Contract Capacity for purposes of calculating the Adjusted Monthly Contract Capacity. Any such Force Majeure shall also reduce the payment being made to the Supplier by way of the same Force Majeure 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 LT2(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 thirty-six (36)-month period during the Term is less than sixty-five percent (65%) of the average of the Adjusted Monthly Contract Capacity for such Settlement Months, it will be considered a Supplier Event of Default.
- (iii) For an Electricity Storage Facility, the calculation of Adjusted Monthly Contract Capacity (for purposes of determining non-performance as discussed below) will also account for the total number of Qualifying Hours in which the Facility is State-of-Charge

Limited in the Settlement Month. The State-of-Charge Limited Reduction Factor for a Settlement Month will be equal to 1.0 (and thus will not impact offering requirements) if the DACP is replaced with a DALMP under the IESO Market Rules prior to the start of such Settlement Month.

(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 for an Electricity Storage Facility*

(i) Electricity Storage 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 seventy-five percent (75%) (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 LT2(c) Contract).

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- (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 LT2(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)(A) of this LT2(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 LT2(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	LT2(c) Projects (\$ / MW)
From the Contract Date until COD	Amount of the Proposal Security as set out in Section 3.7(d)(ii)
From COD until the end of the Term	\$20,000/MW

- (iii) The Completion and Performance Security must be in the form of a letter of credit in the form provided in the LT2(c) Contract

(consistent with the form in Appendix D hereto), for the full amount of the Completion and Performance Security.

(k) *Indigenous Community Participation*

- (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) *Agricultural Impact Assessment 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 (other than a Non-Rooftop Solar Project, which are not eligible to be located within Prime Agricultural

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Areas), 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 and supporting documentation evidencing its completion of an Agricultural Impact Assessment with respect to the Facility and the delivery of such Agricultural Impact Assessment to the planning department (or equivalent) of any Municipality that has jurisdiction over land use planning in respect of all or any portion of the Project Site, which form must be executed by an authorized representative of any such Municipality(ies) stating that such Agricultural Impact Assessment is satisfactory to the Municipality.

- (ii) If the Supplier fails to meet the requirements described above such failure shall constitute a Supplier Event of Default under the LT2(c) Contract. If the IESO elects to terminate the LT2(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) *GHG Abatement Plans for Natural Gas*

- (i) For natural gas-fired Facilities, if Laws and Regulations come into force that implement GHG Limitations that apply to the operations of the Facility by a designated specific date, the Supplier shall provide the IESO with an abatement plan to describe the manner in which the Supplier will comply with such Laws and Regulations. Where compliance with such Laws and Regulations will have a material adverse effect on the Supplier, the Supplier may elect, on a one-time basis, to either:

- (A) place the Facility in Safe Standby State; or
- (B) carry out CES Decommissioning.

If the Supplier elects to place the Facility in Safe Standby State, Monthly Payments will continue unchanged for the remainder of the Term and Availability Non-Performance Charges will not be applicable. Where the Facility has been placed in Safe Standby State in accordance with the LT2(c) Contract and the applicable Laws and Regulations cease to apply to the Facility during any remaining portion of the Term, the Must-Offer Obligation and Availability Non-Performance Charges will re-apply to the Supplier and Monthly Payments will be calculated on that basis.

- (ii) If the Supplier elects CES Decommissioning, the Fixed Capacity Payment will be reduced by twenty-five percent (25%) and Monthly

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Payments will be calculated on that basis for the remainder of the Term.

2.3 No Exclusivity of Contract

The LT2(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 – LT2(C) RFP PROCESS OVERVIEW

3.1 Schedule

- (a) Below is the schedule relating to this LT2(c) RFP process (the “Schedule”):
[NTD: This is under consideration by the IESO.]

Milestone	Date
IESO’s deadline for releasing the final LT2 Capacity Stream RFP and LT2 Capacity Stream Contract	[Q1, 2025]
Proponent’s deadline for submitting questions and comments, if any	[●, 2025] (the “Question and Comment Deadline”)
IESO’s deadline for issuing Addenda to LT2 RFP and LT2 Contract, if any	[●, 2025]
Proponent’s deadline for registration	[●, 2025]
Proposal submission deadline	[●, 2025] at 3:00 P.M. (EPT) (the “Proposal Submission Deadline”)
Target date for notification to Selected Proponents	[●, 2026]

- (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

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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 LT2(c) RFP and the LT2(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 LT2(c) RFP and the LT2(c) Contract by submitting a question or a comment by e-mail to LT2.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 LT2(c) RFP and the LT2(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 LT2(c) RFP.

3.3 Addenda

- (a) The LT2(c) RFP and the LT2(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 LT2(c) RFP and the LT2(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 the LT2(c) RFP and the LT2(c) Contract, as the case may be.
- (b) Each Addendum may contain important information, including significant changes to the LT2(c) RFP, the LT2(c) Contract and their respective Prescribed Forms, and interested parties are responsible for visiting the

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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) In order to participate in this LT2(c) RFP, interested Proponents must submit a Prescribed Form: Registration Form (Capacity) to the IESO, specific to an individual proposed Long-Term Reliability Project, in accordance with the specific details set out in the Prescribed Form: Registration Form (Capacity), together with a registration fee of five hundred Dollars (\$500) (the “**Registration Fee**”). The Prescribed Form: Registration Form (Capacity) shall require the Proponent to: (i) identify the Proponent and any of its Control Group Member(s); specify the proposed Long-Term Reliability Project’s generating or storage technology; (ii) identify the Maximum Contract Capacity for the proposed Long-Term Reliability Project; and (iii) identify the proposed Connection Point in respect of the proposed Long-Term Reliability Project. For greater certainty, registration pursuant to this Section 3.4(a) does not obligate a prospective Proponent to submit a Proposal.
- (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 Registration Fee deposited by the Proponent is identified and correctly applied, the electronic funds transfer or wire must include a deposit reference identifier (“**Registrant ID**”) in the form of: LT2-Proponent Name-Project Name-Year (Example: LT2-CompanyA- Project A-2025). After making the payment, an email must be sent to LT2.RFP@ieso.ca with a copy to ieso.treasury@ieso.ca with the following information: (a) Proponent name (and if different from depositor, depositor name); (b) Project Name; (c) expected deposit date; and (d) amount of Registration Fee deposited.

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- (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 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 Proponent confirming the Proponent's registration and providing a Unique Project ID for the identified Long-Term Reliability Project for purposes of this LT2(c) RFP.

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 LT2(c) RFP, structuring or assembling a Proponent, participating in stakeholder engagement events administered by the IESO in respect of this LT2(c) RFP, or responding to stakeholder solicitations or requests for comments from the IESO in respect of this LT2(c) RFP (collectively, the “**Permitted Purposes**”). Therefore, the following communications rules apply with respect to this LT2(c) RFP:
 - (i) Communications in respect of this LT2(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 LT2(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 LT2(c) RFP;
 - (B) influencing (or attempting to influence) the terms or outcome of the LT2(c) RFP other than via participating in stakeholder engagement events administered by the IESO in respect of this LT2(c) RFP or the LT2(c) Contract, or responding to stakeholder solicitations or requests for comments from the IESO in respect of this LT2(c) RFP or the LT2(c) Contract;

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- (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 LT2(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 LT2(c) RFP.

(iv) The onus shall be on a Proponent to demonstrate that any communications in relation to this LT2(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 LT2(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 LT2(c) RFP, would be considered to be communications for Excluded Purposes. Communications with IESO staff and the Ontario Ministry of Energy and Electrification staff are permissible only for Permitted Purposes. Opportunities for communication with IESO or Ministry of Energy and Electrification 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: LT2.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 LT2(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

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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 LT2(c) RFP. Proponents should structure their Proposals in accordance with the instructions in this LT2(c) RFP. Where information is requested in this LT2(c) RFP, any response made in a Proposal should reference the applicable section numbers of this LT2(c) RFP where such request is made.
- (b) 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.
- (c) 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 LT2(c) Contract.
- (d) 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*

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- (i) Only one Proposal may be submitted in respect of an individual Long-Term Reliability Project.
 - (ii) A Proponent must submit separate Proposals for each individual Long-Term Reliability Project. A Proponent may submit multiple Proposals, provided that no more than **[ten (10)]** Proposals in total may be 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**”).
- (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 LT2(c) RFP process. Except as provided in Section 3.7(e)(ii), 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 LT2.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 [\$13,000] per Proposal (the “ Proposal Fee ”), which fee is inclusive of HST. A Proponent submitting multiple Proposals must submit the Proposal Fee separately for each Proposal.
2.	LT2(c)PF-PP100 - Prescribed Form: Economic Bid Statement (Capacity)	The value of the Fixed Capacity Payment (in \$ per MW per Business Day) shall be submitted by the Proponent in its Proposal (the “ Proposal Price ”) and will be the subject of the price evaluation under the LT2 (c)RFP.

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		<p>In its Economic Bid Statement, the Proponent may, but is not obligated to, indicate up to two (2) ranked alternative smaller sizes for the Maximum Contract Capacity of the Proposed Long Term Reliability Project (to be located within the boundaries of the same identified Project Site and using the same Connection Point as set out in the Proposal), each with a corresponding Fixed Capacity Payment (each such alternative, a “Proposal PQ Alternate”) for the purposes of the Deliverability Test assessment set out in Section 4.5. All Proponents must submit their Proposal Price (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 [●] LT2(c)PF-PP100.</p>
<p>3.</p>	<p>LT2(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.</p> <p>As a part of this Prescribed Form, Proponents must submit an electronic copy of, in Microsoft excel format, the provided Proposal workbook containing information regarding the Long-Term Reliability Project and the Proponent, including the technology type, fuel source, Project Site details, Connection Point and the mandatory and rated criteria-related information; and</p> <p>Proponents are strongly encouraged to use a filename for the Prescribed Form: Proponent Information, Declarations and Workbook that follows the naming convention: Unique Project ID [●] LT2(c)PF-PI100.</p> <p>Proponents are strongly encouraged to use a filename for the Proposal Workbook that follows the naming: Unique Project ID [●] LT2(c)PF-PW100</p>

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<p>4.</p>	<p>LT2(c)PF-AR100 - Prescribed Form: Access Rights Declaration (Capacity)</p>	<p>All Proponents must submit an electronic copy of the completed Prescribed Form: Access Rights Declaration (Capacity).</p> <p>As a part of or attached to this Prescribed Form, Proponents must submit electronic copies of a single scale map of the Project Site showing the outer boundary of the Project Site and the Connection Point.</p> <p>Proponents must provide evidence of access rights to the Properties included in the Project Site. 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>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, operate and maintain the Long-Term Reliability 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 Crown Lands Project, the Proponent must submit a letter from the Ontario Ministry of Natural Resources endorsing the Proponent’s completed Crown Land Site Report in respect of the applicable lands (a “MNR Confirmation Letter”). Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LT2(c)PF-AR100.</p>
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5.	LT2(c)PF-PEC100 - Prescribed Form: Evidence of Pre-Engagement Confirmation Notice For Unincorporated Territory (Capacity)	<p>If the Project is proposed to be located in whole or in part on Unincorporated Territory, the Proponent must submit an electronic copy of the completed Prescribed Form: Pre-Engagement Confirmation Notice Unincorporated Territory (Capacity).</p> <p>As part of or attached to this form, Proponents must submit an electronic copy of their Pre-Engagement Confirmation Notice delivered to the applicable Local Body Administrator dated no later than [●].</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LT2(c)PF-PE100.</p>
6.	LT2(c)PF-IS100 - Prescribed Form: Evidence of Indigenous Support (Capacity)	<p>If the Project Site is 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 [●].</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LT2(c)PF-IS100.</p>
7.	LT2(c)PF-MS100 - Prescribed Form: Evidence of Municipal Support (Capacity)	<p>If the Project Site is located in whole or in part on lands subject to the authority of one or more Local Municipalities, the Proponent must submit an electronic copy of the completed Prescribed Form: Evidence of Municipal Support (Capacity).</p> <p>As a part of or attached to this form, Proponents must submit electronic copies of Municipal Support Confirmation(s). Where the Municipal Support Confirmation is in the form of a Municipal Support Resolution, the Municipal Support Resolution must be dated no earlier than [●]. Where the Municipal Support Confirmation is in the form of a Blanket Municipal Support Resolution, together with a Blanket MS</p>

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		<p>Confirmation Letter, such Blanket Municipal Support Resolution must be dated no earlier than [●].</p> <p>Proponents are strongly encouraged to use a filename that follows the naming convention: Unique Project ID [●] LT2(c)PF-MS100.</p>
<p>8.</p>	<p>LT2(c)PF-IP100 - Prescribed Form: Evidence of Indigenous Community Participation (Capacity)</p>	<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 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 Site is not located on Indigenous Lands, this 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 [●] LT2(c)PF-IP100.</p>

- (ii) The email submission made to LT2.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: **“LT2(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 LT2.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 LT2.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 LT2.RFP@ieso.ca email of twenty (20) megabytes, Proponents may submit their Proposal documents through multiple emails.

For further clarity, if any email containing Proposal documents is shown to have been received in the LT2.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. **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

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In order to ensure that Proposal Fee deposited by the Proponent is identified and correctly applied, the electronic funds transfer or wire must include a deposit reference identifier in the form of the Unique Project ID. After making the payment, an email must be sent to LT2.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.

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 Long-Term Reliability Project’s name.

- (ii) The amount of Proposal Security (which shall be converted into Completion and Performance Security upon execution of the LT2(c) Contract) shall be \$35,000/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 \$500,000 and no more than \$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: LT2(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.
 - (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 Long-Term Reliability 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 LT2(c) RFP.
- (e) *Amending or Withdrawing 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 LT2.RFP@ieso.ca and, provided that such Prescribed Form: Notice of Proposal Withdrawal 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 Long-Term Reliability Projects. If the IESO receives multiple Proposals from the same Proponent and in respect of the

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same Long-Term Reliability Project and no corresponding Prescribed Form: Notice of Proposal Withdrawal 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, refuse 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 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. 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).

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- (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 LT2(c) Contract and related closing documents. The IESO will forward to the Selected Proponent(s) a copy of the LT2(c) Contract and those related closing documents prepared by the IESO for completion and execution by the Selected Proponents, and the date that the LT2(c) Contract and such closing documents are sent by the IESO to the Selected Proponents is referred to as the “**LT2(c) Contract Receipt Date**”.
- (iii) The Selected Proponents must, within twenty (20) Business Days after the LT2(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 LT2(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 LT2(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 deliver the Completion and Performance Security or fail to execute and deliver the LT2(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 LT2(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 LT2(c) RFP.
- (v) Once the required Completion and Performance Security and the executed LT2(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 Long-Term Reliability Project.

(b) *Other Proponents*

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- (i) Shortly after Selected Proponents are notified pursuant to Section 3.8(a), the IESO will notify the other Proponents of the fact that successful Proponents have been selected by the IESO as Selected Proponents and that the LT2(c) RFP process has concluded, that they were not selected by the IESO under this LT2(c) RFP, and that such decision is final and binding.

3.9 Debriefing

- (i) Any Proponent whose Proposal satisfied the Stage 1 completeness requirements set out in Section 4.1 but did not become a Selected Proposal may request a debriefing after being notified of their status.
- (ii) The IESO will hold a single debriefing meeting for each Proponent in which they can discuss their rejected Proposal. Requests must be made in writing through LT2.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 LT2(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

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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 LT2(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 LT2(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 LT2(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

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 LT2(c) RFP:

- (a) Proponent Name;
- (b) applicable Long-Term Reliability Project and its Monthly Contract Capacity;
- (c) average or individual Proposal Prices 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).

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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 3.77 of this LT2(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.

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 satisfies the Team Member Experience requirements specified in Section 2.1;
- (b) the Long-Term Reliability Project meets the eligibility requirements specified in Section 2.1, including:
 - (i) a Pre-Engagement Confirmation Notice has been delivered in accordance with Section 2.1(c)(iii);
 - (ii) if the Project Site is proposed to be located in whole or in part on Indigenous Lands, the Proposal includes an Indigenous Support Confirmation in accordance with Section 2.1(c)(iii);

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- (iii) if the Project Site is located in whole or in part on Municipal Project Lands, the Proposal includes Municipal Support Confirmation in accordance with Section 2.1(c)(iv);
- (c) the Proposal is for a Long-Term Reliability Project with a Nameplate Capacity larger than one (1) MW which can be registered as a *registered facility* under the Market Rules other than as *variable generation*, or as a *self-scheduling generation facility*;
- (d) the Proposal is within the Proponent Group Limit set out in Section 3.7(a);
- (e) the Proposal is for a Long-Term Reliability Project which can deliver a continuous amount of Electricity on a dispatchable basis to a connection point on a Distribution System or Transmission System during the Qualifying Hours for at least eight (8) consecutive hours; and
- (f) 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 applicable, an MNR Confirmation Letter as set out in the Prescribed Form: Access Rights Declaration (Capacity) in accordance with the requirements of Section 3.7(c)(i).

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). Proposals that do not demonstrate that the Proponent satisfies the Mandatory Requirements set out in this Section 4.2 will not be evaluated further and will be rejected.

4.3 Stage 3 – Rated Criteria

All Proposals that have passed Stage 1 and Stage 2 shall have their Rated Criteria evaluated by the IESO. The IESO will assign “**Rated Criteria Points**” to such Proposals as set out in this Section. There shall be a maximum of **[fifteen (15)]** 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 50%.
2	If the Proponent Indigenous Participation Level is equal to or more than 25% but less than 50%.

1	If the Proponent Indigenous Participation Level is equal to or more than 10% but less than 25%.
0	If the Proponent Indigenous Participation Level is less than 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 of an Indigenous Community that holds an Economic Interest in the Proponent of at least 10% and is included in the Proponent Indigenous Participation Level (including through an Indigenous Holding Vehicle, if applicable), as evidenced by an attestation from an Individual with authority to bind that Indigenous Community,

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 50%.
2	If the Proponent Indigenous Participation Level is equal to or more than 25% but less than 50%.
1	If the Proponent Indigenous Participation Level is equal to or more than 10% but less than 25%.
0	If the Proponent Indigenous Participation Level is less than 10%.

(c) *Project Site Located in the Northern Zone*

Rated Criteria Points available	Location in Northern Zone
3	If the Project Site is located within the collective territorial Districts of Kenora, Rainy River, Thunder

	Bay, Cochrane, Algoma, Sudbury, Timiskaming, Nipissing, Manitoulin and Parry Sound (the “ Northern Zone ”)
0	If the Project Site is not located within the Northern Zone.

(d) *Project Site Not Located in Prime Agricultural Area*

Rated Criteria Points available	Project Site Not Located in Prime Agricultural Area
3	If the Project Site does not include lands that are located in a Prime Agricultural Area.
0	If the Project Site includes lands that are located in a Prime Agricultural Area.

(e) *Duration of continuous delivery of Electricity to a Connection Point during the Qualifying Hours*

Rated Criteria Points available	Duration of continuous delivery of Electricity to a Connection Point during the Qualifying Hours
3	If the Long-Term Reliability Project is a Non-Electricity Storage Facility that will be able to deliver a continuous amount of Electricity to a Connection point for twelve (12) or more hours during the Qualifying Hours.
2	If the Long-Term Reliability Project is an Electricity Storage Facility that will be able to deliver a continuous amount of Electricity to a Connection point for twelve (12) or more hours during the Qualifying Hours.
0	If the Long-Term Reliability Project is able to deliver a continuous amount of Electricity to a Connection Point for less than twelve (12) hours during the Qualifying Hours.

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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 Proposal Price submission opened.
- (b) Subject to Section 5.10(m), all Proposals or any Proposal PQ Alternates whose Proposal Price exceeds the weighted average of the Proposal Price (based on Maximum Contract Capacity) of all Proposals by more than forty percent (40%) 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 the Proposals rejected under Section 4.4(b), shall have their Proposal Price 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 LT2(c) Contract, which shall be based on the Proposal Price.
- (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 Proposal Price (in \$ per MW per Business Day).
ECW	is the evaluation criteria weighting, which set at [0.2] .
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 [fifteen(15)] 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

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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 Long-Term Reliability 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. For greater certainty, the IESO will, in administering the Deliverability Test pursuant to this LT2(c) RFP, utilize as an input, the Electricity-producing resources being procured under the LT2(e) RFP being conducted on or about the same timeframe as this LT2(c) RFP.
- (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. The Deliverability Test results do not ensure the ability to connect a Long-Term Reliability 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

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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 the next Proposal from the Preliminary List causes the aggregate Maximum Contract Capacity of the Proposals on the Offer List to exceed the Total Target Capacity.
- (f) In the event that multiple Proposals (or Proposal PQ Alternates) on the Preliminary List are Crown Land Projects, before adding any such Proposal (or Proposal PQ Alternate) to the Offer List, the Ontario Ministry of Natural Resources will identify to the IESO any instances in which the proposed Project Site for such Proposal overlaps with or uses the same lands as the proposed Project Site of any other Crown Land Projects on the Preliminary List (any such Proposals, “**Conflicting Crown Land Proposals**”). Any Proposal on the Preliminary List (and any associated Proposal PQ Alternate) that is ranked lower on the Preliminary List than any Conflicting Crown Land Proposal that is to be added to the Offer List pursuant to Section 4.5(c) will not be evaluated further and will be rejected. **[NTD: Process with MNR to determine Conflicting Crown Land Proposals under ongoing development.]**

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 LT2(c) Contract as described in Section 2.2 in respect of the applicable Proposal(s), and to carry out the provisions of the LT2(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 LT2(c) RFP by the relevant deadline.

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5.2 LT2(c) RFP Documents

- (a) The following materials form part of, and are incorporated into, this LT2(c) RFP:
 - (i) the body of this LT2(c) RFP and all Appendices;
 - (ii) any Addenda; and
 - (iii) all Prescribed Forms.
- (b) Any conflict or inconsistency between this LT2(c) RFP, 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 LT2(c) RFP and APPENDIX A;
 - (iii) other Appendices to this LT2(c) RFP; and
 - (iv) Prescribed Forms.
- (c) All other information and materials are provided for information purposes only, do not form part of this LT2(c) RFP and are not binding on the IESO.
- (d) In the event of any conflict or inconsistency between the terms of this LT2(c) RFP and the Proposal, this LT2(c) RFP shall govern over the Proposal to the extent of any conflict or inconsistency.
- (e) Once the LT2(c) Contract is executed, the LT2(c) Contract will govern over this LT2(c) RFP.

5.3 Compliance

If, in the Discretion of the IESO, a Proposal does not comply with the requirements set out in this LT2(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 LT2(c) RFP, “comply” means that the Proposal conforms to the requirements of this LT2(c) RFP without Material Deviation.

For the purpose of clarity, each Proponent acknowledges and agrees that the IESO’s evaluation of compliance with this LT2(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.

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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 LT2(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 later of:
 - (i) the Proponent being notified by the IESO that their Proposal did not pass any of the stages set out in Section 4 of this LT2(c) RFP or that their Proposal was otherwise rejected; and
 - (ii) the date that IESO receives confirmation of the rescission of any Connection Impact Assessment that has been obtained or submitted by or on behalf of the Proponent or in respect of the Long-Term Reliability Project.
- (b) For the Selected Proposal(s), unless the Proponent has confirmed to the IESO that it elects to transition the delivered Proposal Security into Completion and Performance Security and have the IESO retain the Proposal Security as Completion and Performance Security for purposes of the LT2(c) Contract, the applicable Proposal Security will be returned upon delivery of the Completion and Performance Security and the executed LT2(c) Contract.

5.5 Participation Costs

- (a) Each Proponent will bear all costs and expenses in connection with its participation in this LT2(c) RFP, including any costs incurred in the review of this LT2(c) RFP and any expert advice required in responding to this LT2(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 LT2(c) RFP for any reason.
- (c) Subject to Section 5.6, by submitting any submission in response to this LT2(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 LT2(c) RFP

Each Proponent agrees that, if the IESO commits a material breach of this LT2(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 LT2(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 LT2(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 LT2(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 LT2(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 LT2(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;

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- (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 LT2(c) RFP;
- (h) make changes, including substantial changes, to this LT2(c) RFP in the manner set out in this LT2(c) RFP;
- (i) cancel this LT2(c) RFP process at any stage;
- (j) cancel this LT2(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 Total Target Capacity, as applicable;
- (m) accept any Proposals for which the Proposal Price 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 LT2(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

Addenda			means the documents expressly identified as addenda and issued by the IESO to Proponents in accordance with this LT2(c) RFP and “ Addendum ” means any one of such documents.
Adjusted Capacity	Monthly Contract		has the meaning given to it in the LT2(c) Contract.
Affiliate			has the meaning given to it in the LT2(c) Contract.
Agricultural Impact Assessment			has the meaning given to it in the LT2(c) Contract.
Ancillary Services			has the meaning given to it in the LT2(c) Contract.
Appendix or Appendices			means the Appendix or Appendices that form part of this LT2(c) RFP.
Blanket MS Confirmation Letter			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 Project Lands that: (A) identifies: (i) the Proponent; (ii) the name, technology and maximum potential Contract Capacity of the Long-Term Reliability Project; and (iii) the Municipal Project Lands; (B) states that the Municipality supports the submission of the Proposal; (C) confirms that the Proponent has undertaken community and Indigenous engagement activities in respect of the Long-Term Reliability Project to the satisfaction of the Municipality; and (D) confirms whether the Municipal Project Lands are within any Prime Agricultural Areas or Specialty Crop Areas.
Blanket Resolution	Municipal Support		means a resolution or other instrument signed by or on behalf of the Local Municipality in which the Long-Term Reliability Project is proposed to be located that expresses the support of the Local Municipality for the development, construction and operation of:

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- (a) the Long-Term Reliability Project; or
 - (b) multiple Long-Term Reliability Projects,
- which support for such Long-Term Reliability Project(s) must be for purposes of the requirements of:
- (i) this LT2(c) RFP; or
 - (ii) other long-term procurement initiatives of the IESO that are subsequent to this LT2(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.

Capacity Auction

has the meaning given to it in the Market Rules.

Capacity Product

has the meaning given to it in the LT2(c) Contract.

CES Decommissioning

has the meaning given to it in the LT2(c) Contract.

Commitment Period

has the meaning given to that term in Section 1.2.

Completion and Performance Security

has the meaning given to it in the LT2(c) Contract.

Conflict of Interest

means, without limitation, any situation or circumstance where, in relation to this LT2(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:

- (i) having or having access to information in the preparation of its Proposal that is confidential to the IESO or the Government of Ontario and that is not available to other Proponents;

(ii) communicating with any official or representative of the IESO or the Government of Ontario or members of the Evaluation Team with a view to influencing preferred treatment in this LT2(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 LT2(c) RFP process and tend to render that process non-competitive and unfair.

Conflicting Crown Land Proposals has the meaning given to such term in Section 4.5(a).

Connection Impact Assessment means an assessment conducted by an LDC to determine the impact on the Distribution System of connecting the Long-Term Reliability Project to its Distribution System pursuant to the Distribution System Code.

Connection Line means the electrical connection line connecting the Long-Term Reliability Project to the Connection Point.

Connection Point means, (i) where the Long-Term Reliability Project is connected to the *IESO-controlled grid*, the electrical point or points of connection, as defined in the Market Rules, between the Long-Term Reliability Project and the *IESO-controlled grid*; and (ii) where the Long-Term Reliability Project is connected to a Distribution System, the embedded connection point(s), as defined in the Market Rules, between the Long-Term Reliability Project and the Distribution System.

Contract Capacity has the meaning given to it in the LT2(c) Contract.

Control means, with respect to any Person at any time:

(a) holding, whether directly or indirectly, as owner or other beneficiary, (other than solely as the beneficiary of an unrealized security interest) securities or ownership interests of that Person carrying votes or ownership interests sufficient to elect or appoint 50% or more of individuals who are responsible for the supervision or management of that Person; or

(b) the exercise of de facto control of that Person whether direct or indirect and whether through the ownership of

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securities or ownership interests, by contract or trust or otherwise,

and “**Controls**” or “**Controlled**” has a corresponding meaning.

Control Group Member

means in respect of any entity (the “**Reference Entity**”) an entity that: (a) Controls the Reference Entity, or (b) is Controlled by the Reference Entity, or (c) is Controlled by the same entity that Controls the Reference Entity.

Crown

means his Majesty the King in Right of the Province of Ontario or His Majesty the King in Right of Canada

Crown Land Project

means a Long-Term Reliability Project in respect of which the Project Site is located in whole or in part on provincial Crown Lands

Crown Land Site Report

means a “Crown Land Site Report” in the format as defined by the Ontario Ministry of Natural Resources at ●. **[NTD: confirm current MNR website link]**

Customer Impact Assessment

Means a study conducted by a Transmitter to assess the impact of the connection of a Long-Term Reliability Project on other users of the *IESO-controlled grid*.

Developing

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

Deliverability Test

has the meaning given to that term in Section 4.5(b).

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 *IESO-controlled grid* 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

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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 Interest

has the meaning given to it in the LT2(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 Storage Facility(ies)

has the meaning given to it in the LT2(c) Contract.

Eligible Existing Facility

means an existing, licensed, operating Electricity generation or storage facility that is registered or able to become registered in the *IESO-administered markets* and that, at any time since January 1, 2020, has been the subject of a contract with the IESO or the Ontario Electricity Financing Corporation, or a commitment under the IESO’s Capacity Auction administered under the Market Rules, for the delivery of Electricity, Capacity Product or Ancillary Services.

Eligible Expansion

means the development and construction by an Eligible Expansion Counterparty of one or more additional Electricity generation or storage units to an Eligible Existing Facility that utilize the same Electricity generation or storage technology as the Eligible Existing Facility, whose:

(i) Connection Point is the same actual, physical interconnection to the *IESO-controlled grid* or the Distribution System (as applicable) as that of the Eligible Existing Facility and that is separately metered from the Eligible Existing Facility; or

(ii) if proposing a different Connection Point than that of the Eligible Existing Facility, the additional Electricity generation or storage units to the Eligible Existing Facility

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	must be located within or adjacent to the boundaries of the Property on which the Eligible Existing Facility is located.
Eligible Expansion Counterparty	means the owner of an Eligible Existing Facility or an Affiliate of such owner.
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)(iii).
Facility	has the meaning given to it in the LT2(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.
Financing	means prior demonstrable experience arranging non-recourse project financing, bank financing, or on-balance sheet financing sufficient to commence construction.
Fixed Capacity Payment	has the meaning given to that term in Section 2.2(d)(i).
Force Majeure Capacity Reduction Factor or FMCRF	has the meaning given to that term in Section 2.2(f).
GHG Limitations	has the meaning given to that term in LT2(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

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Safety Authority, and any Person acting under the authority of any Governmental Authority.

IESO

means the Independent Electricity System Operator.

Indigenous Community

means, for the purposes of this LT2(c) RFP,

(a) a First Nation located in whole or in part in Ontario that is a “band” as defined in the *Indian Act*, RSC 1985, c I-5; or

(b) 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 LT2(c) Contract.

Indigenous Lands

means:

(a) “reserve” land as set out in the *Indian Act*, RSC 1985, c I-5;

(b) “designated lands” as set out in the *Indian Act*, RSC 1985, c I-5;

(c) “special reserves” as set out in s. 36.1 of the *Indian Act*, RSC 1985, c I-5;

(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 *Indian Act*, RSC 1985, c I-5, 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 *Addition of Lands to Reserves and Reserve Creation Act*, SC 2018, c 27;

(e) Crown lands 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 *Indian Act*, RSC 1985, c I-5 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

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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 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 Long-Term Reliability Project to the satisfaction of the Indigenous Community.

Indigenous Support Confirmation

means any of an Indigenous Support Resolution or an Indigenous Support Confirmation Letter.

Indigenous Support Confirmation Letter

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:

(A) identifies:

(i) the Proponent;

(ii) the name, technology and Maximum Contract Capacity of the Long-Term Reliability Project; and

(iii) the Indigenous Lands; and

(B) states that the Indigenous Community supports the development, construction and operation of the Long-Term Reliability Project on the Indigenous Lands. The statement in such letter or instrument may be qualified as being solely for purposes of the requirements of this LT2(c) RFP.

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has the meaning given to that term in LT2(c) Contract.

Laws and Regulations

means:

(a) applicable Canadian federal, provincial or municipal laws, orders-in-council, by-laws, codes, rules, policies, regulations and statutes;

(b) applicable orders, decisions, codes, judgments, injunctions, decrees, awards and writs of any court, tribunal,

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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”.
Liquidated Damages Rate	has the meaning given to it in the LT2(e) Contract.
Local Body Administrator	means (i) in respect of a Local Municipality, the chief administrative officer, or equivalent; (ii) in respect of Unincorporated Territory, any authorized representative of the applicable local services board or, in the absence thereof, any authorized representative of the Ontario Ministry of Northern Development; or (iii) 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> , SO 2001, c 25 or the <i>City of Toronto Act, 2006</i> , SO 2006, c 11, Sched A.
Long-Term Reliability Project	has the meaning given to that term in Section 2.1(c)(i).
LT2(c) Contract	has the meaning given to that term in Section 1.2.
LT2(c) Contract Receipt Date	has the meaning given to that term in Section 3.8(a)(ii).
LT2(c) RFP	has the meaning given to that term in Section 1.2.
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, 1998</i> (Ontario), as amended from time to time.

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Material Deviation	means a deviation from the Registered Applicant’s or Proponent’s obligations contained in this LT2(c) RFP that, in the Discretion of the IESO
	(i) affects such party’s or the IESO’s obligations or rights in any material way;
	(ii) affects the obligations or rights of other Proponents or Registered Applicants under this LT2(c) RFP; or
	(iii) results in a failure to satisfy a material component of any requirement set out in this LT2(c) RFP.
Maximum Contract Capacity	has the meaning given to it in the LT2(c) Contract.
Métis Community	means, for the purposes of this LT2(c) RFP:
	(a) the Métis Nation of Ontario or any of its regions or active Chartered Community Councils; or
	(b) a Person, other than a natural Person, that has been determined by the Government of Ontario (for purposes of this LT2(c) RFP or otherwise) to represent the collective interests of a community that is composed of Métis natural Persons in Ontario.
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 LT2(c) Contract.
Monthly Average Offered Quantity	has the meaning given to it in the LT2(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> , SO 2001, c 25 or the <i>City of Toronto Act, 2006</i> , SO 2006, c 11, Sched A.
Municipal Project 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 or on behalf of the Local Municipality in which the Long-Term Reliability 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

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(Capacity) which, among other things, indicates that the 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.
MVA	means megavolt amperes.
MW	means megawatt.
Nameplate Capacity	has the meaning given to that term in LT2(c) Contract.
New Build	means the development and construction of a new generating or storage facility that is not an Upgrade or Redevelopment of an existing generating or storage facility.
Non-Collusion Requirements	means requirements that a Proponent under the LT2(c) RFP: <ul style="list-style-type: none"> (a) not coordinate its Proposal with any other Proponent; (b) keep and will continue to keep its Proposal confidential until the conclusion of the LT2(c) RFP and selection of the Selected Proposal(s), if any; (c) ensure that no member of the Proponent has entered into any agreement or arrangement with any member of another Proponent which may affect the Proposal submitted by the Proponent or the other Proponent; and (d) not engage in any activity or communication that results in a Conflict of Interest, collusion or a violation of any of the civil or criminal provisions of the <i>Competition Act</i> (Canada).
Non-Electricity Storage Facility	has the meaning given that term in the LT2(c) Contract.
Northern Zone	means the collective Ontario territorial Districts of Kenora, Rainy River, Thunder Bay, Cochrane, Algoma, Sudbury, Timiskaming, Nipissing, Manitoulin and Parry Sound.
OEB	means the Ontario Energy Board.
Offer List	has the meaning given to that term in Section 4.5(c).

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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 <i>Planning Act</i> (Ontario).
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 3.4.
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.
Pre-Engagement Notice	Confirmation	means a written notice by way of e-mail or certified mail delivered to an applicable Local Body Administrator substantially in accordance with the form set out in the Prescribed Form: Evidence of Municipal Support (Capacity), Prescribed Form: Evidence of Indigenous Support (Capacity) or in Exhibit A of the Prescribed Form: Evidence of Pre-Engagement Confirmation Notice for Unincorporated Territory (Capacity), as applicable, which, among other things, indicates that the Proponent intends to submit a Proposal under the LT2(c) RFP and seeks to confirm applicable land-use details in relation to the proposed Project Site.
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 LT2(c) RFP, as may be amended or replaced by the IESO from time to time and without notice to the Proponent.
Prime Agricultural Area		has the meaning given to that term in any Official Plan and includes any substantially similar designation in any Official Plan for agricultural land use designation purposes based on the definition of “Prime Agricultural Area” in the Provincial Planning Statement, 2024.

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Project Site		means all Properties on which the Long-Term Reliability Project is located, excluding any Connection Line.
Project Website		means a public website specific to a Long-Term Reliability Project that provides the public with information regarding such Long-Term Reliability Project and community engagement initiatives in respect thereof.
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 lands, Property means real property identified by a grid cell, or a waterpower site number (as applicable) or in the absence thereof, GPS coordinates of the Property, as applicable.
Property Identification Number or PIN		means the property identifier assigned to a property in accordance with the <i>Registry Act</i> , RSO 1990, c R.20, s 21(2) or in accordance with the <i>Land Titles Act</i> , RSO 1990, c L.5, 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)(iii), 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>

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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 Price	has the meaning given to that term in Section 3.7(c)(i).
Proposal PQ Alternate	has the meaning given to that term in Section 3.7(c)(i).
Proposal Security	means one or more irrevocable and unconditional standby letters of credit issued by a financial institution listed in either Schedule I or II of the Bank Act (Canada) or such other financial institution having a minimum Credit Rating of (i) A- with S&P, (ii) A3 with Moody's, (iii) A (low) with DBRS Morningstar, or (iv) A- with Fitch IBCA, in substantially the form attached as Appendix D of the LT2(c) RFP or in a form acceptable to the IESO, acting reasonably.
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).
Proposed Clean Electricity Standard	has the meaning given to it in the LT2(c) Contract.
Provincial Planning Statement, 2024	means the 2024 policy statement issued by the Minister of Municipal Affairs and Housing under section 3 of the <i>Planning Act</i> (Ontario) and approved by the Lieutenant Governor in Council via Order in Council No. 1099/2024.
Qualifying Hours	has the meaning given to that term in Section 2.2(c).
Question and Comment Deadline	means the Question and Comment Deadline date as set out in the Schedule.
Rated Criteria	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).
Schedule	has the meaning given to that term in Section 3.1(a).
Safe Standby State	has the meaning given to it in the LT2(c) Contract.

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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 LT2(c) Contract.
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.
Team Member Experience	has the meaning given to that term in Section 2.1(a)(ii).
Total Target Capacity	has the meaning given to that term in Section 1.2.
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.
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 lands.
Unique Project ID	means the unique project reference number assigned to a Long-Term Reliability Project by the IESO pursuant to the Deliverability Test.
Upgrade	means the refurbishment or replacement of equipment or technology in respect of an Electricity resource that is the subject of an existing contract with the IESO or Ontario

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Electricity Financial Corporation which provides better or improved performance, but which does not constitute an Expansion.

Website

means that section of the IESO's website referenced as "Long-Term RFP" that is dedicated to the LT2(c) RFP process and is at <https://www.ieso.ca/en/Sector-Participants/Resource-Acquisition-and-Contracts/Long-Term-2-RFP>

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APPENDIX B – LT2(C) CONTRACT

The LT2(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.: LT2(c) RFP

Full Legal Name and Address of the Proponent

NAME:

LONG TERM RELIABILITY 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: LT2 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 – 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 ●, as amended, to solicit capacity services from new-build facilities in Ontario (the “**LT2(c) RFP**”) and the Proposal dated [●] for the Long-Term Reliability Project bearing Unique Project ID [●] submitted by the Applicant in response thereto (the “**Proposal**”).

Additionally, if the Proposal is selected under the LT2(c) RFP, the Credit may serve as the “**Completion and Performance Security**” (as such term is defined in the LT2(c) RFP) in respect of the “LT2(c) Contract” (as such term is defined in the LT2(c) RFP) as amended from time to time, between the Beneficiary and the “Supplier”, as such term is defined under the LT2(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 LT2(c) Contract to sign, to execute and deliver the LT2(c) Contract or to deliver a new Completion and**

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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 LT2(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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