



Expedited Long Term RFP (E-LT1 RFP) Frequently Asked Questions, Comments and IESO Responses

Version 1

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Document Change History

Version	Reason For Change	Date
1	Expedited Long-Term RFP Frequently Asked Questions, Key Feedback and IESO Responses posted	November 16, 2022

Overview

The IESO thanks stakeholders for the feedback and questions that have been submitted. This document outlines the IESO's responses to submissions that have been reviewed by the IESO prior to the publication of the final Expedited Long-Term Request for Proposal (E-LT1 RFP) and Contract (E-LT1 Contract), including questions and feedback on:

- Eligibility
- Mandatory Requirements
- Rated Criteria
- Same Technology Expansions
- Performance Obligation & Tests
- Additional Questions and Feedback

1. Eligibility

The IESO engaged on eligibility for the Expedited Long-Term Request for Proposal (E-LT1 RFP) extensively from January to August 2022, and the IESO's responses to stakeholder questions and feedback from that period are available to view on the Long-Term RFP Engagement [webpage](#). The following are questions that have been commonly asked or that help clarify eligibility requirements for the E-LT1 RFP. Details of the Eligibility Requirements are provided in Section 2.1 of the E-LT1 RFP.

1.1. Can a proponent participate in the E-LT1 RFP if they did not participate or were unsuccessful in the Long-Term 1 Request for Qualification (LT1 RFQ)?

Per the eligibility requirements in Section 2.1 of the E-LT1 RFP only Qualified Applicants (an RFQ Applicant whose Qualification Submission has been selected and accepted by the IESO, in accordance with the LT1 RFQ), persons controlled by Qualified Applicants and Eligible Expansion Counterparties may submit proposals into the E-LT1 RFP.

1.2. Can an RFQ Applicant that did not submit a description of a specific Long-Term Reliability Project as a part of their Qualification Submission, submit that project into the Deliverability Test and have it considered under the E-LT1 RFP, if said project was submitted by another RFQ Applicant that has decided not to proceed with the project.

No, an RFQ Applicant under the LT1 RFQ was only eligible to submit Long-Term Reliability Projects into the Deliverability Test for the Expedited Process and to submit proposals into the Expedited Process for which they had submitted a *Prescribed Form: Long-Term Reliability Project Description* as

part of their LT1 RFQ Qualification Submission. However, projects for the LT1 RFP process may be submitted for a Deliverability Test without being identified as part of the LT1 RFQ Qualification Submission.

1.3. If a proponent submits a project for a Deliverability Test, achieves a "Deliverable" result and then sells to another qualified bidder, will that bidder be eligible to bid that project?

A Qualified Applicant under the LT1 RFQ for the Expedited Process was entitled to submit a Long-Term Reliability Project into the Deliverability Test, where that Project was submitted as part of their LT1 RFQ Qualification Submission. Where that Project achieves a "Deliverable"/"Deliverable but Competing" result in the Deliverability Test, the Qualified Applicant or persons controlled by the Qualified Applicant, may submit a Proposal for that Project into the E-LT1 RFP. If that Project is purchased by a buyer that is also a Qualified Applicant, but that buyer did not submit that Project as part of its LT1 RFQ Qualification Submission, the buyer is not entitled to submit that Project into the E-LT1 RFP evaluation process.

1.4. Can a new corporation that includes the Qualified Applicant and the project host be created after deliverability test results are provided?

Yes, Qualified Applicants may form subsidiary entities to be the Proponents under the E-LT1 RFP as long as the Qualified Applicant Controls the newly formed Proponent entity.

1.5. Can a Qualified Applicant form multiple "unique project entities" for multiple project submissions?

Yes, as long as the Qualified Applicant remains the Controlling party in each project entity. However, each project submitted by the project entities Controlled by the same Qualified Applicant would have to meet the mandatory requirements of the E-LT1 RFP, and the Qualified Applicant and project entities controlled by the Qualified Applicant would be limited to ten (10) project submissions into the E-LT1 RFP, as stated in section 3.6(a) of the E-LT1 RFP.

1.6. Can these "unique project entities" submit different prices to reflect location specific requirements/costs?

Each Proposal must be specific to a single Long-Term Reliability Project as per Section 3.6(a) of the E-LT1 RFP. Each Proponent must be prepared to enter into an E-LT1 Contract for each Proposal it submits into the E-LT1 RFP. Qualified Applicants or newly formed subsidiaries Controlled by Qualified Applicants may submit multiple Proposals (provided each Proposal is specific to a Long-Term Reliability Project described in the corresponding LT1 RFQ Qualification Submission and subject to the limits identified in section 3.6 (a) of the E-LT1 RFP), provided that they are prepared to enter into the E-LT1 Contract for each such Proposal.

1.7. If a Proponent submits a bid in response to the E-LT1 RFP, and is interested in submitting the same project in response to the LT1 RFP in the event the Proponent is not successful

under the E-LT1 RFP, does the Proponent need to resubmit for the LT1 RFP Deliverability Test. Alternatively, can a bid that was not successful under E-LT1 RFP, be resubmitted under LT1 RFP without another Deliverability Test?

A Long-Term Reliability Project that was unsuccessful in the E-LT1 RFP may be resubmitted for consideration under the LT1 RFP. However, it will still be required to complete a new Deliverability Test for the LT1 RFP. The Deliverability Tests for the respective RFPs are two distinct processes with different input parameters and assumptions. Therefore, a project that receives a result of “Deliverable” or “Deliverable but Competing” under the E-LT1 Deliverability Test will not necessarily achieve the same result under the LT1 Deliverability Test.

1.8. Would a hybrid storage + solar project count as storage or non-storage under the procurement targets? =

A New-Build generator coupled with battery storage equipment (e.g. solar + battery storage) that does not draw electricity from the grid for storage will participate under the Non-Storage Category under the E-LT1 RFP. The definition of “Electricity Storage Facility” under the E-LT1 RFP is based on the definition in the IESO Market Rules, which relies on the withdrawal of electricity from the grid as the Electricity being stored.

2. Mandatory Requirements

The following are questions that have been commonly asked or that help clarify Mandatory Requirements for the E-LT1 RFP. Details of the Mandatory Requirements are provided in Sections 4.1 and 4.2 of the E-LT1 RFP.

2.1. The IESO proposes in Section 2.5(a)(i)(D) that a Facility cannot reach COD until 100% of the Contract Capacity and, if applicable, Storage Capacity are available. Would this mean the Contract Capacity for the month in which the Facility is entering operation, or the Maximum Contract Capacity, i.e., the highest Contract Capacity for the year?

A project has reached Commercial Operation when it is able to inject the Monthly Contract Capacity based on the Season in which COD occurs.

2.2. The proposal limit is set at 10 projects; however, could a Qualified Applicant submit more than 10 projects for deliverability tests.

The maximum number of Projects that can be submitted into the Deliverability Test process is ten (10). However, Proponents were eligible to submit up to three Project variations for each Project, as described further in the Deliverability Test Guidance Document. For additional information on the Deliverability Testing Process please refer to the document entitled 2022 Deliverability Test Process for IESO Acquisition Mechanisms on the Long-Term RFP webpage.

2.3. Can the IESO confirm whether lease financing is permissible under E-LT1, and if so, whether the IESO would be willing to amend the form agreement to clarify this point?

The Proponent must own and operate the proposed project, as set out further in section 2.1(d)(i) of the E-LT1 RFP and Section 7.1(i) of the E-LT1 Contract. However, a project can be located on leased land provided the Proponent has the contractual right to built, operate and maintain the Project on the Project Site.

2.4. Could Qualified Applicants have a single public meeting to share multiple projects with a community.

Yes, a single meeting can be held for multiple projects. However, The Qualified Applicant must present the information for each project individually, as set out in Section 2.1(f) of the E-LT1 RFP and communities must be given the opportunity to comment on all projects individually. Evidence of project-specific community engagement would be required in the bid submission so that the IESO can have the project-specific evidence when evaluating completeness.

2.5. Is it acceptable for public meetings to be held virtually?

Yes, the public meeting can be held in person or virtually, prior to the Proposal Submission Deadline, but no earlier than January 27, 2022.

2.6. Can the website described in the Prescribed Form: Community Engagement Requirements containing the community engagement plan be hosted as a section of a website owned by a parent company?

Yes, Proponents must ensure that a unique website URL is created for each individual Long-Term Reliability Project that provides the public with information regarding such Long-Term Reliability Project and community engagement initiatives in respect thereof.

3. Same Technology Expansions

3.1. Can an Upgrade (the refurbishment or replacement of equipment or technology) be considered for the Same Technology Expansion process?

No, an Upgrade such as a refurbishment or performance-enhancement to the existing facility's generation assets would be eligible to participate in the [Same Technology Upgrades Solicitation –Call For Submissions](#).

3.2. The IESO differentiates between Existing Facility and Separate Facility for Same Technology Expansions. Could you please provide a definition for these two terms?

Please refer to the definition of Eligible Expansion and Upgrade in the E-LT1 RFP.

3.3. Would a new separately metered gas turbine installed on an existing site but not part of the existing facility be considered an “on-site expansion” for the purpose of the E-LT1 RFP.

Yes, an eligible on-site expansion would entail the installation of additional generation equipment of the same technology type and be located within the existing site as the contracted facility.

3.4. Would a new separately metered gas turbine installed on an existing site but separate from the existing facility be required to qualify under the LT1 RFQ.

Proponents with an Eligible Expansion proposal will not be required to be qualified under the LT1 RFQ.

4. Additional Questions and Feedback Received

4.1. Will energy storage assets have to bear the demand charges or will there be a reimbursement?

Demand charges incurred on withdrawals do not fall within the definition of “Regulatory Energy Charges” and will not be reimbursed through the Regulatory Charge Credit, in accordance with Exhibit R of the draft E-LT1 contract.