Enhancing the NS Draft RFP for Technology-Neutral Evaluation

Approach: Expand the RFP, Preserve the Work

IESO Nova Scotia has done substantial work developing the Tolling Agreement, Functional Specifications, site investigations, and environmental assessments. **This document preserves all of that work.** The Tolling Agreement (Appendix B), Functional Specifications (Exhibit T), Identified Sites, and all site-related data remain intact and available to gas-fired proposals.

What this document proposes is:

1. **Adding a second contract option** — a Capacity Contract (Appendix B-1) for non-combustion technologies, running parallel to the existing Tolling Agreement.
2. **Adding a scoring mechanism** — Ontario's proven Evaluated Proposal Price formula with Rated Criteria for Mi'kmaq participation, duration, and environmental siting.
3. **Restructuring several RFP sections** to accommodate both contract types — separating common requirements (applicable to all proposals) from technology-specific requirements (applicable to Tolling or Capacity proposals respectively). The existing gas-specific requirements are preserved in full; they move into a Tolling-specific subsection rather than being deleted.
4. **Enhancing the evaluation** to use IESO Nova Scotia's existing Evaluated Project Cost Model for comparable total-cost ranking across both contract types.

What stays: The Tolling Agreement, Functional Specifications, Identified Sites, site data, environmental assessments, land options, gas interconnection agreements, community liaison committees.

What changes: The RFP's eligibility, evaluation, and selection sections are restructured to allow both contract types to be evaluated on a common cost basis ($/MW-year), modeled on the largest competitive electricity procurement in Canada.

Section 1: Introduction

Section 1.2 — Purpose and Background of the RFP

Current NS language (paragraph 15):

> The most recent update to the Integrated Resource Plan identified the need for up to 600 MW of new, fast-acting generation…

Proposed addition (replace only this sentence):

> The most recent update to the Integrated Resource Plan identified the need for up to 600 MW of new, dispatchable capacity resources to support system reliability as Nova Scotia transitions to 80% renewable electricity by 2030. IESO Nova Scotia is seeking the most cost-effective dispatchable capacity available through a technology-neutral competitive process.

Ontario precedent: Ontario's LT2(c) does not name any technology in its purpose statement. It describes the procurement as seeking "new build electricity generation and storage resources" to meet "capacity needs."

Section 1.2 — Contract Structure (paragraph 19)

Current NS language:

> The Selected Proponent(s) will be required to enter into a Tolling Agreement in the form set out in APPENDIX B…

Proposed replacement:

> The Selected Proponent(s) will be required to enter into one of the following agreements, depending on the technology type of the Selected Project:
>
> (a) **Tolling Agreement** (APPENDIX B): For proposals based on combustion generation technologies (natural gas turbines, reciprocating engines, or other fuel-burning resources) at an Identified Site. The Tolling Agreement will compensate the Generator for availability and reimburse fuel and operating costs as described in Section 2.2.
>
> (b) **Capacity Contract** (APPENDIX B-1): For proposals based on non-combustion technologies (electricity storage, hydrogen fuel cells, or other non-fuel-burning resources) at an Identified Site or a Proponent-selected site. The Capacity Contract will compensate the Generator for making contracted capacity available during Qualifying Hours, as described in Section 2.3.
>
> Both agreement types submit a Fixed Capacity Price (in $/MW-month, per the existing RFP format) and are evaluated under the same Evaluated Proposal Price formula (Section 4, Stage 3A and Stage 4).

Why this works: The Tolling Agreement that IESO Nova Scotia has already drafted remains the contract for gas proposals. A Capacity Contract is added as APPENDIX B-1 for non-combustion proposals. Both are evaluated on the same cost basis, so the scoring mechanism treats them identically.

Section 2.1 — Eligibility and Contractual Requirements

Section 2.1 — Project Site Selection (paragraph 46)

Current NS language:

> The rights to two sites have been acquired by IESO Nova Scotia as the locations for the Projects: the Salt Springs Site and the Marshdale Site...

Proposed replacement:

> IESO Nova Scotia has acquired options to purchase or lease two sites in Pictou County, Nova Scotia for the Projects (the "Identified Sites"): the Salt Springs Site and the Marshdale Site. Proponents may propose a project at one or both Identified Sites under the Tolling Agreement (APPENDIX B).
>
> Proponents may alternatively, or additionally, propose a project at a site of their own selection within Nova Scotia (a "Proponent Site") under the Capacity Contract (APPENDIX B-1). Proponents proposing a Proponent Site must demonstrate site control through ownership, lease, option, or other legally binding arrangement, and are responsible for all site-related environmental assessments, permits, and approvals.
>
> For greater certainty, a Proponent may submit: (i) a Tolling Proposal at one or both Identified Sites; or (ii) a Capacity Proposal at a Proponent Site; or (iii) a Capacity Proposal at an Identified Site; or (iv) both a Tolling Proposal and a Capacity Proposal as separate submissions, each evaluated independently.

Why this works: The Identified Sites remain available. All the site investigation work, land options, and environmental assessments IESO Nova Scotia has completed remain fully usable. But proponents with their own sites — including battery developers who don't need gas connections or water supply — can also compete. This maximizes competition without discarding any existing work.

Section 2.1 — Projects (paragraphs 49-65)

Current NS language (paragraphs 51-65): Multiple technology-prescriptive requirements including

Maximum Contract Capacity of 275-300 MW, dispatch capability, Ancillary Services, pathway to fossil-fuel-free operation, Synchronous Condenser Mode, proven Prime Mover technology deployed in at least 2 projects, and no maximum daily starts.

Proposed replacement:

> Each Proposed Project must meet the following requirements:
>
> **All Proposals (Tolling and Capacity):**
>
> (i) have a Maximum Contract Capacity between 275 MW and 300 MW;
>
> (ii) be capable of delivering its Maximum Contract Capacity continuously for a minimum of eight (8) consecutive hours during Qualifying Hours (07:00 to 23:00 AST, Business Days);
>
> (iii) have a Maximum Contract Capacity not exceeding 95% of the Facility's nameplate capacity;
>
> (iv) be capable of receiving and responding to dispatch signals from IESO Nova Scotia or the system operator to meet system reliability needs;
>
> (v) be capable of providing Ancillary Services as identified in the Transmission System Interconnection Requirements, either through the Facility's generating equipment directly or through supplementary equipment (e.g., synchronous condensers, grid-forming inverters);
>
> (vi) use proven technology that has been commercially deployed in at least two (2) projects of comparable scale; and
>
> (vii) comply with all applicable Laws and Regulations, including environmental assessment requirements.
>
> **Additional requirements for Tolling Proposals at Identified Sites:**
>
> (viii) be comprised of multiple generating units such that no single unit represents more than 50% of the Maximum Contract Capacity;
>
> (ix) be capable of being dispatched in Synchronous Condenser Mode without the combustion of fossil fuels other than what is required for purging;
>
> (x) have a pathway to future operation without the use of fossil fuels; and
>
> (xi) meet the Functional Specifications set out in Exhibit T of the Tolling Agreement.
>
> **Additional requirements for Capacity Proposals:**
>
> (viii) for Electricity Storage Facilities, maintain a minimum round-trip efficiency of 75%;
>
> (ix) demonstrate the ability to provide grid stability services (frequency response, voltage support, and fault current contribution) through grid-forming inverters, supplementary synchronous condensers, or a combination, as detailed in the Performance Requirements;
>
> (x) for proposals at Proponent Sites, demonstrate site control and interconnection feasibility; and
>
> (xi) meet the Performance Requirements set out in APPENDIX B-1, Schedule 1.

Why this works: All the existing Tolling Agreement requirements (Synchronous Condenser Mode, Functional Specifications, 275-300 MW range, fossil fuel pathway) are preserved for gas proposals at the Identified Sites. They are simply moved into a "Tolling-specific" subsection. The common requirements (dispatch, duration, proven technology, ancillary services) apply to all proposals. Non-combustion proposals have their own technology- appropriate requirements.

The 275-300 MW range now applies to all proposals, not just Tolling Proposals. This is the same capacity requirement as the current draft RFP — the only change is that non-combustion technologies can now meet it. A 300 MW / 8-hour (2,400 MWh) battery system is commercially feasible at a single site with current LFP technology (for reference, Edwards Sanborn in California has 3,287 MWh on a single site, and Canadian developers have confirmed 300 MW / 2,400 MWh capability at individual project sites).

IESO Nova Scotia's Functional Specifications (Exhibit T) remain intact and apply to every Tolling Proposal. Nothing is deleted.

Section 2.1 — First Nation Community Participation (paragraphs 93-101)

Current NS language:

> IESO Nova Scotia may develop an economic benefit framework with the First Nation Community… IESO Nova Scotia intends to issue Addenda before the Proposal Submission Deadline that will define the participation levels…

Proposed enhancement:

> Mi'kmaq First Nation Community Participation is a Rated Criterion in the evaluation of Proposals (see Section 4, Stage 3A). Proposals that demonstrate meaningful Mi'kmaq equity ownership or economic participation will receive Rated Criteria Points that reduce the Evaluated Proposal Price, providing a competitive advantage in the ranking of Proposals.
>
> Rated Criteria Points for Mi'kmaq Participation shall be awarded as follows:
>
> (a) Mi'kmaq Participation Level (maximum 3 points): - ≥ 50% Mi'kmaq economic interest in the Project: 3 points - ≥ 25% but < 50%: 2 points - ≥ 10% but < 25%: 1 point
>
> (b) Local Mi'kmaq Community Participation (maximum 3 points): - Project located within the traditional territory of a participating Mi'kmaq community, with ≥ 50% Mi'kmaq economic interest: 3 points - Same, with ≥ 25% but < 50%: 2 points - Same, with ≥ 10% but < 25%: 1 point
>
> The Mi'kmaw First Program (Exhibit R of the Tolling Agreement) and Community Benefits Obligations continue to apply to all Selected Projects.
>
> Evidence of Mi'kmaq participation must be submitted in the prescribed form.

Ontario precedent: Ontario awards up to 6 of 15 rated criteria points for Indigenous participation. In LT1, 9 of 10 winning battery projects had 50-51% Indigenous equity. Making this a scored criterion (rather than a vague future addendum) creates a concrete financial incentive for meaningful partnership.

Why this works: The existing Mi'kmaw First Program and Community Benefits Obligations are preserved. The enhancement is adding financial weight to Mi'kmaq participation in the scoring — turning a compliance checkbox into a competitive advantage worth up to 10% of evaluated price.

Section 2.1 — Interconnection Requirements

Electrical Interconnection (paragraphs 116-125)

Keep as-is. Electrical interconnection requirements are technology-neutral.

Natural Gas Interconnection (paragraphs 139-145)

Add conditional language:

> Natural gas interconnection requirements apply to Tolling Proposals and to Capacity Proposals based on gas-fired technology. For Electricity Storage Facilities and other non-combustion technologies, no fuel interconnection is required.

Section 2.2 — Overview of Tolling Agreement (paragraphs 150-230)

Keep entirely as-is. This section describes the Tolling Agreement. It remains the contract overview for gas-fired proposals at the Identified Sites.

NEW — Section 2.3: Overview of Capacity Contract

Add new section after 2.2:

Section 2.3 — Overview of Capacity Contract

This Section 2.3 provides an overview of certain sections of the Capacity Contract (APPENDIX B-1) and is for descriptive purposes only. In the event of any conflict between this overview and the Capacity Contract, the Capacity Contract shall govern.

A Selected Proponent whose Selected Project is evaluated under the Capacity Contract must enter into the Capacity Contract as a Generator under its own name.

2.3(a) Monthly Payment

The Capacity Contract will pay the Generator a Monthly Payment composed of:

(i) a Fixed Capacity Payment based on the Fixed Capacity Price ($/MW-month), as submitted in the Proposal and subject to annual indexing based on 20% of the Consumer Price Index; multiplied by

(ii) the number of Business Days in the applicable month; multiplied by

(iii) the Monthly Contract Capacity; less

(iv) any Non-Performance Charges.

2.3(b) Qualifying Hours and Dispatch

The Generator must make its Contract Capacity available and respond to dispatch instructions from IESO Nova Scotia during Qualifying Hours (07:00 to 23:00 AST, Business Days). IESO Nova Scotia may revise the Qualifying Hours up to twice per contract year with 90 days' notice.

2.3(c) Energy Dispatch Payment

When IESO Nova Scotia dispatches the Facility, the Generator shall receive an Energy Dispatch Payment in addition to the Fixed Capacity Payment. The Energy Dispatch Payment shall be based on:

For Electricity Storage Facilities: the actual cost of grid electricity consumed during charging, plus a degradation factor, at rates established in the Capacity Contract.

For other non-combustion technologies: variable operating costs at rates established in the Capacity Contract.

2.3(d) Must-Offer Obligation

The Generator's Monthly Average Available Capacity must equal or exceed the Adjusted Monthly Contract Capacity during Qualifying Hours. Non-Performance Charges apply for shortfalls.

2.3(e) Technology-Specific Provisions

For Electricity Storage Facilities: The Generator shall receive a credit for applicable electricity charges incurred when charging the Facility from the grid, subject to maintaining a minimum round-trip efficiency of 75%.

2.3(f) Contract Term

The Term of the Capacity Contract shall be twenty (20) years from the Commercial Operation Date.

Why this works: Section 2.2 (Tolling Agreement overview) is untouched. Section 2.3 is a parallel description of the Capacity Contract option. Both use the same pricing unit ($/MW-month) so they can be evaluated together.

The Energy Dispatch Payment (2.3(c)) addresses Nova Scotia's lack of a liquid wholesale market comparable to Ontario's. IESO Nova Scotia retains dispatch control — exactly as with the Tolling Agreement. When IESO dispatches a battery, it pays the charging cost + degradation. When it dispatches a gas plant under the Tolling Agreement, it pays fuel + variable O&M. Different mechanisms, same principle: IESO dispatches, generator complies, costs flow through.

Section 3.4 — Registration and Proposal Package Fee

Current NS language (paragraph 254):

> Payment of the Proposal Package Fee [of $20,000 + HST]...

Proposed modification:

> Payment of the Proposal Package Fee shall be:
>
> (a) For Proponents accessing Identified Site data (geotechnical reports, aquifer investigations, environmental assessments): twenty thousand Dollars ($20,000) plus applicable taxes; or
>
> (b) For Proponents proposing at a Proponent Site only (no access to Identified Site data): five hundred Dollars ($500) plus applicable taxes.

Why this works: The $20,000 fee is justified for access to IESO Nova Scotia's proprietary site data. But proponents who bring their own sites and their own data should not pay for data they don't receive. A lower fee for self-sited proposals removes a barrier to entry without changing the fee for proponents who use the Identified Sites.

Ontario precedent: Ontario charges ~$11,800 total. No site data is bundled because proponents select their own sites.

Section 3.7(c)(ii) — Proposal Security

Current NS language (paragraph 332):

> The amount of Proposal Security shall be fifteen million Dollars ($15,000,000).

Proposed replacement:

> The amount of Proposal Security shall be thirty-five thousand Dollars ($35,000) per MW of Maximum Contract Capacity, subject to a minimum of five hundred thousand Dollars ($500,000) and a maximum of fifteen million Dollars ($15,000,000).

Why this works: A 300 MW proposal (gas or battery) would post $10.5M — comparable to the current $15M. A 275 MW proposal would post $9.625M. The per-MW approach is more proportionate and matches Ontario's model.

Ontario precedent: Ontario LT2(c) uses exactly $35,000/MW with $500K minimum / $15M maximum.

Section 4 — Proposal Evaluation

The existing four-stage process is extended to six stages. Two stages are added: Rated Criteria (Stage 3A) and Deliverability Assessment (Stage 5). Stage 4 is rewritten to use the EPP scoring formula.

Stage 1 — Completeness Requirements (paragraph 430)

Keep as-is. Same approach as Ontario.

Stage 2 — Proponent Mandatory Requirements (paragraphs 434-446)

Add one requirement:

> (vi) Evidence of Municipal Support: The Proponent must submit a resolution from the municipal council of the municipality in which the Proposed Project is located, confirming support for the project.

Ontario precedent: Municipal support is mandatory (pass/fail) in LT2. In LT1, it was a rated criterion worth 4 points. Making it mandatory ensures no project proceeds without community consent.

Why this works: The Identified Sites have community liaison committees already. Proponent Sites would need to demonstrate community support through a municipal resolution — an appropriate safeguard.

Stage 3 — Proposed Project Mandatory Requirements (paragraphs 449-455)

Keep as-is. The existing Stage 3 checks that the Proposed Project Description demonstrates compliance with the project requirements and that PSCAD and PSSE models are submitted. The 8-hour continuous delivery requirement is already established in Section 2.1, Projects, requirement (ii) as a common requirement for all proposals — Stage 3 verifies it through the existing project description review.

NEW — Stage 3A: Rated Criteria

Stage 3A — Rated Criteria

All Proposals that have passed Stages 1, 2, and 3 will be assessed against the following Rated Criteria. Points are awarded based on documentation submitted in the Proposal. Rated Criteria Points reduce the Evaluated Proposal Price for ranking purposes only and do not affect the actual contract payment.

Criterion	Maximum Points	Details
Mi'kmaq Participation Level	3	≥50% Mi'kmaq economic interest = 3; ≥25% = 2; ≥10% = 1
Local Mi'kmaq Community Participation	3	Project in traditional territory of participating Mi'kmaq community: ≥50% = 3; ≥25% = 2; ≥10% = 1
Duration of Continuous Delivery	3	≥12 hours continuous delivery = 3; 8-12 hours = 0
Environmental Site Sensitivity	3	Brownfield or existing industrial site = 3; greenfield site not in a Sensitive Environmental Area = 1; greenfield site in a Sensitive Environmental Area = 0
Maximum Rated Criteria Points (MS)	**12**	

Notes:

Mi'kmaq Participation (up to 6 points): Recognizes IESO Nova Scotia's responsibilities under the Peace and Friendship Treaties. In Ontario's LT1 procurement, 9 of 10 winning projects had 50-51% Indigenous equity ownership. Making this a scored criterion creates a concrete financial incentive for meaningful partnership.

Duration (3 points): Rewards resources capable of extended operation during prolonged system events. All technologies must meet the 8-hour minimum per Section 2.1 (Projects); this criterion rewards 12+ hours. A gas plant at an Identified Site with fuel supply would earn this. A 12-hour battery system would also earn this.

Environmental Site Sensitivity (3 points): Rewards projects that reuse existing industrial or brownfield sites (3 points) over greenfield development. Greenfield sites outside Sensitive Environmental Areas receive 1 point. Greenfield sites within a Sensitive Environmental Area — including designated wetlands, watercourse buffers, wildlife habitat, or areas within the NS Protected Areas System — receive 0 points. Sensitive Environmental Areas shall be defined by reference to mapped designations under the Environment Act, the Wilderness Areas Protection Act, and the NS Open Data Protected Areas System.

Why this works: The scored criteria are **additions** to the existing evaluation, not replacements. Gas proposals at the Identified Sites can earn points for duration (likely 3 — gas runs indefinitely), Mi'kmaq participation (up to 6), and environmental sensitivity (up to 3 depending on site classification). The criteria don't penalize gas — they reward community benefits that any technology can provide.

Stage 4 — Review of Economic Bid Statement

Current NS language (paragraphs 457-463):

> The Evaluated Project Cost corresponding to each Offer… [assessed based on Evaluated Project Cost Model]

Proposed replacement:

Stage 4 — Review of Economic Bid Statement

All Proposals that have passed Stages 1, 2, 3, and 3A will have their Economic Bid Statements opened.

Evaluated Project Cost (EPC)

The Evaluated Project Cost for each Proposed Project shall be calculated using the Evaluated Project Cost Model, which is published as part of this RFP.

For Tolling Proposals, the Evaluated Project Cost Model calculates the total annual cost to ratepayers by summing:

(A) Annual Capacity Payments (from the Proponent's submitted Fixed Capacity Price); (B) Fuel Costs (from the Proponent's submitted heat rates, applied to the published dispatch profile and fuel price assumptions); (C) Variable O&M Costs (from the Proponent's submitted O&M rates); (D) Start-Up Costs (from the Proponent's submitted start-up fuel requirements); and (E) Synchronous Condenser Variable O&M Costs (from the Proponent's submitted hourly runtime cost).

The dispatch profile, fuel prices, fuel mix, and operating hours used in the Evaluated Project Cost Model are derived from the Integrated Resource Plan and are published in the Model. These assumptions are the same for all Tolling Proposals.

For Capacity Proposals, the Evaluated Project Cost Model calculates the total annual cost to ratepayers by summing:

(A) Annual Capacity Payments (from the Proponent's submitted Fixed Capacity Price); and (B) Variable O&M Costs (from the Proponent's submitted variable O&M rate, if any, applied to the published dispatch profile).

For Capacity Proposals, components (B) through (E) of the Tolling calculation that relate to fuel combustion (fuel costs, start-up fuel, emissions costs) are zero by definition, as non-combustion technologies do not consume fuel.

The output of the Evaluated Project Cost Model is the Evaluated Project Cost in $/MW-year for each Proposed Project.

Evaluated Proposal Price (EPP)

The Evaluated Proposal Price for each Proposed Project shall be:

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EPP = EPC × (1 - (ECW × (S / MS)) - (CSP × 0.02))
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Where: - EPC = Evaluated Project Cost ($/MW-year) from the Evaluated Project Cost Model - ECW = Evaluation Criteria Weighting = 0.20 - S = Rated Criteria Points awarded to the Proposal (Stage 3A) - MS = Maximum Rated Criteria Points = 12 - CSP = 1.0 if Canadian-Status Proponent (self-identified), else 0

For greater certainty: - The EPP is used solely for ranking. The actual payment under the Tolling Agreement or Capacity Contract is based on the terms of the applicable agreement, not the EPP. - A Proposal earning maximum Rated Criteria Points from a Canadian-Status Proponent will have its

> Evaluated Project Cost reduced by 22% (20% + 2%) for ranking purposes only. - A Proposal earning zero Rated Criteria Points will be ranked at its full Evaluated Project Cost.
>
> **Price Outlier Rejection:** Any Proposal whose Evaluated Project Cost exceeds the weighted average of all Evaluated Project Costs by more than forty percent (40%) shall be rejected.
>
> All remaining Proposals shall be ranked from lowest to highest EPP on a single list (the "Preliminary List").

Why this works: This is not a new model. IESO Nova Scotia's Draft Evaluated Project Cost Model (Draft_EvaluatedProjectCostModel_20260310.xlsx) already calculates exactly this — a total Evaluated Project Cost in $/MW-year by summing capacity payments + fuel costs + variable O&M + start-up costs + synchronous condenser costs. It already uses IRP-derived dispatch assumptions and published fuel prices. It is already used to compare gas proposals against each other.

The only addition is one input sheet for Capacity Proposals, where the proponent enters their Fixed Capacity Price and variable O&M rate (if any). Fuel costs = zero, start-up fuel = zero, emissions costs = zero. The model produces the same $/MW-year EPC output for both contract types.

The assumptions are already published in the existing model: - IRP-derived dispatch profile: 1,360 hours/year, 10.5% capacity factor - Gas at $18/GJ ($9 market + $9 carbon at $170/tonne) - LFO at $42/GJ ($30 market + $12 carbon) - 80% gas / 20% LFO fuel mix

These assumptions affect only the Tolling bids. Battery bids are determined entirely by the proponent's own inputs — IESO's fuel price and dispatch assumptions do not touch them.

NEW — Stage 5: Deliverability Assessment

> **Stage 5 — Deliverability Assessment**
>
> Proposed Projects on the Preliminary List shall be assessed for deliverability in order of ranking (lowest EPP first).
>
> IESO Nova Scotia, in consultation with the system operator, shall determine whether each Proposed Project can be reliably interconnected and delivered to the transmission system at its proposed connection point.
>
> Proposals at Identified Sites are deemed to have met the deliverability requirement, as interconnection studies have been completed.
>
> A Proposed Project that is "Deliverable" shall be added to the Offer List. A Proposed Project that is "Not Deliverable" shall be removed.
>
> Selection continues until the aggregate Contract Capacity on the Offer List meets or exceeds the Target Capacity of 600 MW, or all Proposed Projects have been assessed.

Why this works: Identified Sites get a built-in advantage — they skip the deliverability test because interconnection work is already done. This rewards IESO Nova Scotia's investment in site preparation. Proponent Sites must demonstrate deliverability, adding appropriate rigor for new locations.

Section 4.5 — Selected Projects (paragraphs 466-474)

Current NS language:

> IESO Nova Scotia, in its Discretion, will determine if wishes to select: a single Proposed Project at one of the Identified Sites; a Proposed Project at each of the Identified Sites; or no Proposed Project at either of the Identified Sites.

Proposed replacement:

> IESO Nova Scotia, in its Discretion, will select the Proposed Project(s) from the Offer List. IESO Nova Scotia may select one or more Proposed Projects up to the Target Capacity of 600 MW. Selected Projects may be at Identified Sites, Proponent Sites, or a combination.
>
> For Selected Projects at Identified Sites, the Selected Proponent will enter into the Tolling Agreement (APPENDIX B) and the Lease (APPENDIX C).
>
> For Selected Projects at Proponent Sites, or non-combustion Selected Projects at Identified Sites, the Selected Proponent will enter into the Capacity Contract (APPENDIX B-1).

Section 5 — Additional Terms and Conditions

Section 5.10 — Confidentiality (paragraphs 396-418)

Add:

> IESO Nova Scotia acknowledges that proponent information may be subject to the Nova Scotia Freedom of Information and Protection of Privacy Act (FOIPOP). Proponents are advised that information submitted as part of a Proposal may be disclosed in accordance with FOIPOP.

Ontario precedent: Ontario IESO explicitly references FIPPA in its RFP.

Section 5.11 — Disclosure of Proponents (paragraphs 420-426)

Add:

> IESO Nova Scotia will publish the following information for each Selected Proponent upon execution of the applicable agreement: - Proponent name - Project name, location, and technology type - Maximum Contract Capacity (MW) - Fixed Capacity Price ($/MW-month) - Rated Criteria Points awarded - Mi'kmaq participation level - Contract term

Ontario precedent: Ontario publishes complete results tables with individual project prices after each procurement.

NEW — Section 5.13: Fairness Advisor

> **Section 5.13 — Fairness Advisor**
>
> IESO Nova Scotia shall appoint an independent Fairness Advisor to monitor the RFP process. The Fairness Advisor shall:
>
> (a) observe the evaluation process at each stage; (b) review evaluation decisions for consistency with this RFP; (c) publish a report on the fairness of the process within 60 days of the execution of agreements by all Selected Proponents.
>
> The Fairness Advisor report shall be made publicly available on the IESO Nova Scotia website.

Ontario precedent: Ontario appoints a Fairness Advisor for every procurement. The LT1 Fairness Advisor Report was published December 2024.

Why this protects IESO Nova Scotia: This is IESO Nova Scotia's first procurement. It involves pre-selected sites, publicly-funded studies held behind a paywall, and a contract worth billions of dollars over 20 years. If a losing proponent or community group challenges the outcome, an independent Fairness Advisor report is IESO Nova Scotia's strongest defence that the process was conducted properly.

Appendices

APPENDIX B — Tolling Agreement

Keep as-is. The existing Tolling Agreement remains the contract for combustion-based proposals at the Identified Sites. No changes required.

NEW — APPENDIX B-1: Capacity Contract

Add a Capacity Contract for non-combustion proposals. Key elements:

1. **Fixed Capacity Payment** ($/MW-month), 20% CPI-indexed annually
2. **Qualifying Hours** (07:00-23:00 AST, Business Days) and dispatch obligation
3. **Energy Dispatch Payment** when IESO Nova Scotia dispatches the Facility (charging costs for storage; variable costs for other technologies)
4. **Must-Offer / Must-Respond Obligation** with non-performance charges
5. **Technology-specific provisions** (storage: charging credit, 75% RTE; future gas under Capacity Contract if desired: GHG Abatement Plan)
6. **Liquidated damages** for late COD
7. **20-year contract term** from COD
8. **Completion and Performance Security** at $50,000/MW (matching Tolling Agreement)

Ontario's LT2(c-1) contract is publicly available and can serve as the drafting template: https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/capacity/LT2c-1-20251104-Contract-Consolidated-with-Addendum-1-and-2-and-3.pdf

APPENDIX C — Lease

Keep as-is. Applies to proposals at Identified Sites. Not required for Proponent Sites.

APPENDIX D — Proposal Package Information

Keep existing site packages for Identified Sites. Add requirements for Proponent Sites: - Site suitability evidence (geotechnical, environmental screening) - Interconnection feasibility study - Municipal support resolution - Mi'kmaq participation evidence

Exhibit T — Functional Specifications

Keep as-is for Tolling Proposals. Add a parallel "Performance Requirements" schedule for Capacity Proposals (APPENDIX B-1, Schedule 1): - Minimum 8-hour continuous delivery at Maximum Contract Capacity - Response time requirements (e.g., 10-minute cold start) - Frequency response and voltage support capability - Availability targets during Qualifying Hours - Annual maintenance window provisions

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Summary of Changes

Change	Type	Impact on Existing RFP
Section 1.2: Technology-neutral purpose language	Edit one sentence	Adds "technology-neutral competitive process" to purpose statement
Section 1.2: Dual contract structure (Tolling + Capacity)	Replacement	Paragraph rewritten to reference both contract types; Tolling Agreement untouched
Section 2.1 (Site Selection): Proponent Sites alongside Identified Sites	Replacement	Section rewritten to allow both site types; Identified Sites preserved
Section 2.1 (Projects): Common + technology-specific requirements	Restructure	All existing requirements preserved for Tolling Proposals
Section 2.1 (First Nation): Mi'kmaq participation as rated criteria	Addition	Mi'kmaw First Program preserved; participation scoring added in Stage 3A
Section 2.1 (Interconnection): Conditional gas interconnection language	Minor edit	Gas interconnection unchanged for gas proposals
Section 2.2: Tolling Agreement overview	**No change**	Kept entirely
NEW Section 2.3: Capacity Contract overview	**Addition**	Fixed Capacity Payment + Energy Dispatch Payment, parallel to Tolling overview in 2.2
Section 3.4: Tiered Proposal Package Fee	Restructure	$20K for Identified Site data access; $500 for Proponent Sites (no site data)
Section 3.7: Per-MW Proposal Security	Replacement	Flat $15M replaced with per-MW formula ($35K/MW, $500K min, $15M max)
Stage 2: Municipal support requirement	Addition	Municipal council resolution required for all proposals
NEW Stage 3A: Rated Criteria	**Addition**	12-point scoring: Mi'kmaq participation, delivery duration, environmental sensitivity
Stage 4: EPP formula with comparable pricing	Replacement	Evaluation rewritten to use EPC Model + EPP formula for all proposals
NEW Stage 5: Deliverability Assessment	**Addition**	Identified Sites deemed deliverable
Section 4.5: Technology-neutral project selection	Replacement	Selection rewritten for both contract types; IESO discretion preserved
Section 5.10: FOIPOP acknowledgment	Addition	One paragraph added

Change	Type	Impact on Existing RFP
Section 5.11: Results disclosure	Addition	Publish prices post-award
NEW Section 5.13: Fairness Advisor	**Addition**	Independent process monitor
NEW APPENDIX B-1: Capacity Contract	**Addition**	Non-combustion contract modelled on Ontario LT2 Capacity Stream contract

What's preserved: The Tolling Agreement (Appendix B), Functional Specifications (Exhibit T), Identified Sites, all site data, environmental assessments, land options, gas interconnection agreements, community liaison committees, and all existing gas-specific project requirements.

What's added: Capacity Contract (Appendix B-1) with overview (Section 2.3), Proponent Site eligibility, mandatory municipal support (Stage 2), Rated Criteria scoring (Stage 3A), Deliverability Assessment (Stage 5), FOIPOP acknowledgment, post-award results disclosure, and independent Fairness Advisor (Section 5.13).

What's restructured: Purpose statement updated for technology neutrality. Project requirements split into common (all proposals) and technology-specific (Tolling or Capacity) subsections. Proposal Package Fee tiered ($20K for Identified Site data, $500 for Proponent Sites). Proposal Security scaled per-MW ($35K/MW, $500K min, $15M max). Evaluation methodology extended with EPC Model + EPP formula for comparable total-cost ranking across both contract types. Project selection rewritten for both Tolling and Capacity contracts.

Sources

- NS Draft RFP v1.0 (March 10, 2026)
- Ontario LT2(c-1) RFP
  https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/capacity/LT2c-1-20251110-RFP-Consolidated-with-Addendum-1-2-3-4.pdf
- Ontario LT2(c-1) Contract
  https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/capacity/LT2c-1-20251104-Contract-Consolidated-with-Addendum-1-and-2-and-3.pdf
- Ontario LT1 Results Table
  https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/LT1-RFP-results-table-20250611.pdf
- LT1 Fairness Advisor Report
  https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/LT1-RFP-Fairness-Advisor-Report-20241220.pdf