

NOVA SCOTIA
RATE BASE PROCUREMENT
REQUEST FOR PROPOSAL
DRAFT #1

Issued: AUGUST 13TH, 2021

By: CUSTOMERFIRST RENEWABLES, THE PROCUREMENT ADMINISTRATOR

On Behalf Of: THE PROVINCE OF NOVA SCOTIA

DRAFT

NOTE:

The Procurement Administrator (PA) is releasing a draft of the Rate Base Procurement (RBP) RFP for comments. The comment period for Draft #1 of the RBP RFP will be open for two weeks from August 13 – August 27. The PA will review feedback on all sections; the draft is subject to change.

On August 19, the PA will host a webinar to share details about providing feedback, the timeline, and SREPs funding. The webinar recording and slides will be available on the Nova Scotia RBP website.

TO PROVIDE FEEDBACK ON THE RFP:

The PA is interested in hearing from the Nova Scotia community and potential Proponents. Parties interested in providing comments and questions should follow the template below and email it to novascotia@customerfirstrenewables.com. Please allow 48 hours for the PA to confirm receipt. Some questions may be anonymized and shared on the website.

Section	Question/Comment	Impact

RFP SECTIONS UNDER DEVELOPMENT

In this draft of the RFP, some sections are highlighted in yellow, indicating they need further development. These sections include:

- 2.5 Federal Funding
- 2.6.2 Compensation Framework for Curtailment
- 2.6.5 Ancillary Services
- 4.7 Capacity
- 7 Appendices including: Power Purchase Agreement (*the PA will release this independently of the RFP for comments and review*); Definitions; Notice of Intent to Bid Form; Bid Form(s); Organization and Completeness Checklists; and Definition of Zones

In these sections and others, the PA has provided context in [*brackets and italics*]. In future versions of the RBP RFP, the PA will provide detail. R

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1 INTRODUCTION

1.1 PURPOSE

The Rate Base Procurement (the “RBP”) aims to attract innovative Renewable Low-Impact Electricity (“Renewable Low-Impact Electricity”) solutions in Nova Scotia through a competitive Request for Proposal (“RFP”). The Procurement Administrator (the “PA”) will administer an RFP process to procure a target of 1,100 gigawatt hours (GWh) or approximately 350 megawatts (MW) of Renewable Low-Impact Electricity from Independent Power Producers. **The goals of the RBP RFP are to 1) select the Proposal(s) (“Selected Proposal(s)”) that provide(s) the best value from Renewable Low-Impact Electricity for Nova Scotia Power Inc. (“NSPI”) electricity Ratepayers and 2) ensure fairness, transparency, and efficiency.**

Renewable energy development offers significant economic benefit opportunity to many rural areas in Nova Scotia and significant advancement towards achieving greenhouse gas emissions reductions. Once the projects are operational, the RBP is anticipated to help achieve the Province’s new Renewable Energy Standard (“Renewable Energy Standard”) of 80% by 2030 and support the Province’s goal of achieving a 53 per cent reduction in greenhouse gas emissions by 2030 and net-zero by 2050.

This document outlines how Proponents (“Proponents”) should develop and submit a complete Proposal in response to the RBP RFP and how they will be evaluated:

- Introduction – *Provides an overview of the RBP, the PA, and award obligations.*
- RFP Process – *Summarizes the timeline and provides details on the process*
- Proposal Evaluation – *Defines the process for scoring and selecting Proposals*
- Minimum Criteria – *Outlines the Minimum Criteria a Project must meet to participate in the RFP process by the Proposal Submission Deadline*
- Scored Criteria – *Outlines the Scored Criteria the Proposals will be evaluated on to assign points*
- Terms & Conditions – *Provides Proponents with Award Obligations and legal context*
- Appendix – *Provides supporting materials for the RFP*

1.2 THE PROCUREMENT ADMINISTRATOR (PA)

To fulfill third-party administration of this competitive RFP, the Province of Nova Scotia has appointed CustomerFirst Renewables (“CFR”) as the PA for the purposes of Renewable Electricity Regulations, NS Reg 155/2010 (the “Regulations”) under the Electricity Act, S.N.S. 2004, c. 25.

The PA will administer this RFP in accordance with the Regulations and determine which Project(s) provide(s) the best value for Nova Scotia Power Incorporated Ratepayers (“NSPI Ratepayers”) as defined by the criteria in this RFP. The criteria were developed in consultation with the Province of Nova Scotia, the Proponent community, and other stakeholders/rightsholders. At the conclusion of the RFP process, the PA may award Selected Proponents (“Selected Proponents”) with an opportunity to execute a Power Purchase Agreement (“PPA”) for Renewable Low-Impact Electricity Proponents with NSPI.

To support the design of an RFP process that will meet these goals, the PA has offered and shared public [webinars](#), released a draft RFP for written feedback, updated Frequently Asked Questions and considered all comments prior to issuance. Members of the Proponent community, the Nova Scotia Department of Energy and Mines (“DEM”), other regulatory departments, and other organizations were invited to join in these activities to prepare for the RFP issuance.

CFR is an independent advisor that partners with impact-oriented clients to develop actionable strategies, procure tailored energy and water solutions, and optimize performance over time. Since 2010, CFR has grown their team and client base, accumulating an unparalleled track record for securing high-impact solutions. In 2020 alone, their clients transacted on over 1.1 gigawatts (GW) of renewable energy off-take.

1.3 PROPONENTS

To participate in the RFP process, the bidder must be an IPP and must agree to be registered to do business in Nova Scotia prior to the Interconnection of the Project.

Nova Scotia law requires all businesses operating within the province to register with the Nova Scotia ‘Registry of Joint Stock Companies’ (with some exceptions for New Brunswick businesses who are registered with the New Brunswick ‘Corporate Affairs Registry’). The status of a Proponent’s business registration does not preclude the submission of a Proposal in response to this RFP.

On the Notice of Intent to Bid (“Notice of Intent to Bid”) form the Proponent will need to designate a Primary and Secondary Contact through whom all communication related to the RFP will be directed. The Proponent will also need to provide evidence of good standing within the Registry, or a plan to register with the Registry of Joint Stock Companies.

1.4 AWARD OBLIGATIONS

At the conclusion of the RFP process, the PA may award, at its discretion, one or more Selected Proponents with an opportunity to execute a PPA for Renewable Low-Impact Electricity with NSPI. The standard form of the PPA prepared by PA, in consultation with NSPI and approved by the Utility and Review Board (“the UARB”), is included in Appendix 7.1.

2 RFP PROCESS

2.1 SUMMARY

The RFP will be released on the RFP Date of Issuance, after which Proponents will have 8 weeks to prepare their Proposal. Proponents must submit a Notice of Intent to Bid Form and Fee by the Notice of Intent to Bid Deadline to be considered (see section 2.4.2). Proposals will be evaluated in two phases. The first phase involves Minimum Criteria (“Minimum Criteria”) to bid. All Minimum Criteria must be met for a Proposal to move onto the second phase. The second phase consists of Scored Criteria, which are evaluated using a rubric to assign the Proposal points (“Scored Criteria”). Each Proposal can receive a maximum Proposal Score of 100 points (“Proposal Score”). After both phases are complete, the PA will identify a Shortlist Portfolio (“Shortlist Portfolio”). Shortlisted Proponents (“Shortlisted Proponents”) will be invited to participate in an interview with the PA. After interviewing and evaluating Proposals, the PA may award, at its discretion, one or more Selected Proponents with an opportunity to execute a PPA for Renewable Low-Impact Electricity with NSPI. See section 1.4 for more detail.

2.2 MILESTONES & TIMELINE

The following timeline sets out the schedule of milestone dates and times in this RFP process. All times provided are in Halifax time.

The PA reserves the right to accelerate or postpone any of the dates set out above or add, eliminate, or re-order any of the steps in the timeline. The PA may amend the timeline from time to time by Addendum.

RFP MILESTONE	DATE	DETAILS
RFP Date of Issuance	Late October	<i>The RFP will be posted on the Nova Scotia RBP website on the RFP tab.</i>
Notice of Intent to Bid Deadline	2 weeks after RFP Date of Issuance	<i>To participate in the RFP, Proponents must submit the Notice of Intent to Bid Form and Fee by this date. Only Proponents that submitted both the Form and Fee on time will be permitted to ask questions after this date until the Inquiries Deadline.</i>
Inquiries Deadline	4 weeks after RFP Date of Issuance	<i>Proponents may ask questions until this date. All questions will be anonymized and shared on the website.</i>
Proposal Submission Deadline	8 weeks after RFP Date of Issuance	<i>Complete Proposals are due by midnight.</i>
RBP RFP Evaluation	The 6 weeks following Proposal Submission Deadline	<i>The PA will evaluate Proposals using the Minimum Criteria and, if eligible, the Scored Criteria.</i>
RBP Shortlist Portfolio Notification Date	6 weeks after Proposal Submission Deadline	<i>The PA will notify Proponents if their Project has been selected for the RBP Shortlist Portfolio</i>
Shortlist Portfolio Interview Dates	The 2 weeks following the RBP Shortlist Portfolio Notification Date	<i>Shortlisted Proponents will be required to attend an Interview during this time.</i>
RBP Portfolio Notification Date	3 weeks after Shortlist Portfolio Interviews end	<i>The most competitive Proposals are selected to the RBP Portfolio; Selected Proponents and NSPI are notified.</i>
Delivery of Final Report on RFP	60 days after RBP Portfolio Notification Date	<i>The PA to deliver a final report on the RFP to the Minister of Energy and Mines.</i>
Target PPA Execution Date	8 weeks after RBP Portfolio Notification Date	<i>Target date for executions of PPAs for the Selected Proposals with NSPI.</i>

2.3 COMMUNICATIONS

The PA invites questions and comments from all interested parties regarding the RBP RFP Process. All communication should be directed to the PA email address: novascotia@customerfirstrenewables.com. The PA will not be responsible for, nor be obliged to respond to, questions or comments submitted to any other e-mail address or by any other means of communication (e.g., fax, phone calls or voicemail messages, mail, courier, social media, etc.).

Please allow 48 hours during the regular work week for a response or an acknowledgement of the question and an estimate of when the PA will be able to provide a response. Questions or comments sent on a Friday or over the weekend should be responded to or acknowledged within 48 hours of the following work week. Inquires related to Proposals will be treated as described in section 2.4.3.

The PA expressly reserves the right, in its discretion, to make changes to this RFP, the Contract (“Contract”) and any related documentation in accordance with section 2.1.10, including changes that reflect questions and comments received from interested parties. Interested parties should promptly examine all such documentation and:

- i. Report to the PA any errors, omissions, or ambiguities at novascotia@customerfirstrenewables.com; and
- ii. Send to the PA any questions and comments they may have regarding the RFP process by email to novascotia@customerfirstrenewables.com (same as above), on or before the Inquiry Deadline respectively.

2.4 RFP SUBMISSION PROCESS

2.4.1 RFP DATE OF ISSUANCE

On the RFP Date of Issuance (“RFP Date of Issuance”), the PA will release the RFP on the Nova Scotia RBP website on the RFP tab. Proponents will be notified of the RFP Date of Issuance at least 10 business days in advance on the Nova Scotia RBP website and via email.

2.4.2 NOTICE OF INTENT TO BID DEADLINE

Proponents must submit a Notice of Intent Bid Form and a Notice of Intent Bid Fee (“Notice of Intent to Bid Fee”) for each Proposal.

2.4.2.1 Notice of Intent to Bid Form

Proponents must submit a Notice of Intent to Bid Form (viewable in Appendix 7.3) to the PA via email (NovaScotia@customerfirstrenewables.com) by midnight on the Notice of Intent to Bid Deadline (“Notice of Intent to Bid Deadline”).

The information shared on the Notice of Intent to Bid is non-binding. Upon receipt of the Notice of Intent to Bid, the PA will share a link with Proponents to create a password protected log-in to Egnyte and be able to upload a Proposal. Egnyte is a third-party cloud-based information sharing server to submit Proposals. Egnyte was selected by the PA due to its security capabilities, user-friendliness, and reputation with IT professionals.

2.4.2.2 Notice of Intent to Bid Fee

Proponents must pay the non-refundable Notice of Intent to Bid Fee of \$5,750 Canadian dollars (“CAD”) by the Notice of Intent to Bid Deadline. This means payment must be dated on or before the Notice of Intent to Bid Deadline and received within 5 business days of the Notice of Intent to Bid Deadline via registered mail courier.

The Notice of Intent to Bid Fee is payable by either a certified check or bank draft to the Nova Scotia Minister of Finance by the Notice of Intent to Bid Deadline.

Please send Bid Fee to the c/o Department of Energy and Mines:

1690 Hollis Street PO Box 2664
Halifax, NS
B3J 3P7
ATTN: Bernice Webb

The Notice of Intent to Bid Fee will only be refunded if this RFP process is cancelled. The Notice of Intent to Bid Fee will not be refunded if the Proponent elects to not submit a Proposal in response to this RFP process or if the Proponent’s Proposal isn’t selected.

2.4.3 INQUIRIES DEADLINE

All interested parties and Shortlisted Proponents will be able to ask the PA questions until the Inquiries Deadline (“Inquiries Deadline”). After the Notice of Intent to Bid Deadline, only Proponents that submitted a Notice of Intent to Bid Form and fee will be permitted to ask questions. In keeping with principles of fairness, transparency and competitiveness of the RFP process, questions and comments received in the manner prescribed above that request clarification of the RFP may be posted on the website with the PA’s response, but the identity of any party asking any question or making any comment will not be revealed.

2.4.4 PROPOSAL SUBMISSION DEADLINE

Suppliers will have eight weeks from the RFP Date of Issuance to create their Proposal. Complete Proposals are due in Egnyte by midnight on the Proposal Submission Deadline (“Proposal Submission Deadline”). After the deadline, the PA will lock the folders. Any changes to files or documents after the deadline will not be considered a part of the Proposal.

2.4.5 SHORTLIST PROPOSAL INTERVIEW DATES

Proponents who submitted Shortlisted Proposals (“Shortlisted Proponents”) will be invited to interview with the PA during these dates. The purpose of the interview is to 1) to fill in any gaps in the PA’s understanding of the strengths and risks associated with a Proposal, and 2) to develop confidence in a Proponent’s ability to deliver on their offer.

During the interview, each Proponent will have an opportunity to present on their Proposal and development capabilities for no more than 30 minutes. The PA will then ask a series of questions in respect of the Proposal(s) for a maximum of one hour. The questions will be shared with the Proponent 3 business days in advance of the interview.

2.4.6 RBP PORTFOLIO NOTIFICATION DATE

On the RBP Portfolio Notification Date (“RBP Portfolio Notification Date”), the PA aims to notify the Selected Proponents on this date if their Proposal(s) have been selected for the RBP Portfolio. The PA will also notify NSPI of the Selected Proposals (“Selected Proposals”).

2.4.7 DELIVERY OF FINAL REPORT ON THE RFP

The PA is required by section 35D of the Regulations to provide a final report on the RFP to the Minister of Energy and Mines within 60 days of the RBP Portfolio Notification Date that includes the information specified in the Regulations.

2.4.8 TARGET PPA EXECUTION DATE

This is the target date to have fully executed PPAs for the Selected Proposals between Selected Proponents and NSPI.

2.5 FEDERAL FUNDING

Proponents are encouraged to explore all federal funding opportunities to improve their PPA Price including, but not limited to, opportunities through Natural Resources Canada’s (“NRCan”) Smart Renewables Electrification Pathways Program (“SREPs”) and the Canada Infrastructure Bank (“the CIB”).

To enable the goals of this RFP, Projects that make it to the RFP Shortlist will be summarized and shared with CIB and NRCan for their review for potential financing or funding. By submitting a bid to the RFP, a bidder is signalling its consent for the PA to share its submission with staff at the CIB and NRCan’s SREPs.

2.5.1 SREPs

[NTD: *In order to include SREPs grant funding in the PPA Price assumptions, the Proponent must receive Conditional Approval from NRCan. Proponents should note the SREPs process is iterative and is estimated to take 3 or more months. Proponents are advised to start the process as soon as possible by submitting a Registration Form at the NRCan [website](#). Further details on this process will be shared with applicants before the official launch of the RFP.*]

2.5.2 THE CIB

[NTD: *The CIB is in detailed discussions with the Province of Nova Scotia regarding the potential to invest in Projects that are successful under this RFP process. It is anticipated that any offer of investment from the CIB will be made to all Selected Proponents to ensure every project could access this capital (subject to the Proposal and Project meeting the CIB's investment criteria). Further details on any CIB investment will be shared with applicants as part of the RFP process. Bidders are restricted from speaking to the CIB about their projects as all communication between the project bidders and the CIB will be managed by the PA as part of the RFP. The Province of Nova Scotia, CIB and the PA are collaborating to align processes with respect to this RFP and a potential CIB investment product. As more details are available, they will be shared.*]

2.6 INTERCONNECTION

The [NSPI Generation Interconnection Procedures](#) (“GIP”) outlines the procedures for processing an Interconnection Request pertaining to a Generation Facility. A proponent is expected to meet all obligations, fees and deposits as set forth in the GIP. The Nova Scotia System Operator (“NSPSO”) administers the GIP.

2.6.1 NOVA SCOTIA TRANSMISSION NETWORK

The Nova Scotia transmission system is characterized by its east-west radial nature. The “backbone” of the transmission system is comprised of 345kV lines from Woodbine to Lakeside, with interconnections at Hopewell and Onslow. This backbone is reinforced by 230kV systems as well (two lines from Lingan to Port Hastings, and three lines from Port Hastings to Brushy Hill via Onslow). Major generation centres are connected in the east-end of the system at Lingan, Point Aconi and Point Tupper (all primarily coal-fired) and Wreck Cove (hydro). In addition, the converter station at Woodbine injects energy transmitted from Newfoundland via the Maritime Link HVDC interconnection. The major load centre is the Halifax metropolitan area. The western part of the province requires more electricity than is currently produced in the region. A map of the Nova Scotia transmission system is presented in Appendix 7.6.

As a member of the Northeast Power Coordinating Council (“NPCC”), NSPI is required to ensure that the NSPI bulk power system is designed and operated according to the standards and criteria of both NPCC and the North American Electric Reliability Council.

2.6.2 COMPENSATION FRAMEWORK FOR CURTAILMENT

A Proponent may select Energy Resource Interconnection Service (“ERIS”), Network Resource Interconnection Service (“NRIS”), or both as part of the GIP Interconnection Request process. Proponents that are in the RBP Portfolio and execute a PPA for the output of their Project with NSPI under this RFP (“Contracted Project”), and which proceed with NRIS for their Project (excluding Proponents that have selected the Congestion Management Alternative discussed in section 2.6.4.1), will be provided compensation for curtailment as prescribed in the PPA, Generator Interconnection Agreement (“GIA”), and Transmission Service Interconnection Requirements (“[TSIR](#)”).

For avoidance of doubt, when a Contracted Project under this RFP is curtailed by NSPSO to provide Ancillary Services (“Ancillary Services”) described in the TSIR, compensation at the Energy Rate shall be provided for

every MWh of reduced production. Each monthly settlement provided to the Contracted Facility by NSPI will provide a record of each instance of such curtailment and the Ancillary Service(s) associated with each curtailment. [NTD: *Further compensation of non-opportunity A/S costs under consideration by the PA and will be fleshed out in a subsequent draft.*]

2.6.3 COST RESPONSIBILITY FOR INTERCONNECTION AND NETWORK UPGRADES

The cost responsibilities for interconnection are outlined in Article 11 of the GIA. Interconnection Customer Interconnection Facilities and Transmission Provider's Interconnection Facilities are at the sole expense of the Proponent. Unless NSPI or Transmission Owner elects to fund the capital for Network Upgrades, the Interconnection Customer (Proponent) will be solely responsible for such funding. Under the terms outlined in Article 11.4 of the GIA, the Proponent will be entitled to a cash repayment, equal to the total amount paid to NSPI and the System Operator, if any, for Network Upgrades unless it elects the Forgo Network Upgrade Reimbursement discussed in section 2.6.4.2. For avoidance of doubt, costs associated with meeting the TSIR mandates are to be included in the Proponent's proposed PPA Price.

2.6.4 OPTIONS TO MITIGATE RISK OF SIGNIFICANT UPGRADE COSTS

NSPI Ratepayers will be paying for the energy delivered by Projects that are awarded PPAs as well as the cost of any Network Upgrades that may be triggered by these Projects. There is a significant risk that large generation development in Cape Breton and the Western zone (the Western zone being roughly the area between Kentville and Digby) could trigger costly major Network Upgrades which costs would be borne by Nova Scotia customers. These locations are captured in Zones 1 and 5 respectively of the Zone Map in Appendix 7.6. The following approaches address uncertain Network Upgrade costs and enables the participation of Projects in zones with the greatest risks of triggering significant Network Upgrade costs.

2.6.4.1 Congestion Management Alternative

The Congestion Management Alternative ("Congestion Management Alternative") is an option in the RFP whereby the Proponent agrees to assume congestion risks in consideration for a higher point score in the Network Upgrade Cost Evaluation Criterion in the RFP. Proponents that select the Congestion Management Alternative agree to be bound by certain provisions in the PPA, including a requirement for the Proponent to proceed with NRIS and ERIS for the System Impact Study ("SIS").

Projects with a Point of Interconnection ("Point of Interconnection") in Zone 1 (Cape Breton) or Zone 5 (Western) and have a project size equal to or less than 20 MW may elect to pursue the Congestion Management Alternative. In addition, the PA will only consider in the project ranking up to 20 MW per zone for Zone 1 and Zone 5. Specifically, only Proposal(s) with the lowest Proposal Price ("Proposal Price") which total 20 MW or less for Zone 1 or Zone 5 that select(s) this Congestion Management Alternative will be considered in the project ranking. All other Proposals electing this Congestion Management Alternative will be rejected. Any Proposal which causes the 20 MW cap to be exceeded will not be considered. A Proponent with a Project located in Zone 1 or Zone 5 should indicate in the Proposal their agreement to pursue the Congestion Management Alternative and their acceptance of the associated amendments to the PPA, which include:

- The requirement to proceed with both NRIS and ERIS for the SIS under the GIP;
- Acknowledgement of the right of NSPI to require the Proponent to pursue ERIS should the Project Related Network Upgrade Costs calculated based on the SIS assessment of Network Upgrades costs exceed the pre-defined threshold; and
- Acknowledgement that no compensation will be provided through the PPA for curtailment due to congestion for Proponents that select this alternative.

Proponents with a Project of 20 MW or less located in Zone 1 or Zone 5 that elect the congestion Management Alternative should also indicate any arrangements they have made to mitigate the financial risks associated

with this alternative (e.g., agreements to compensate other generators for reducing output to alleviate congestion in that zone). Proponents that elect the Congestion Management Alternative are prohibited from selecting the forgo Network Upgrade Reimbursement described below. The two alternatives are mutually exclusive.

2.6.4.2 Forgo Network Upgrade Reimbursement

The forgo Network Upgrade Reimbursement is an election in the RFP whereby the Proponent elects to cover the costs of Network Upgrades that it triggers in consideration for a higher point score in the Network Upgrade Cost Evaluation Criterion in the RFP.

Projects with a Point of Interconnection in Zone 1 (Cape Breton) or Zone 5 (Western) may elect to pursue the forgo Network Upgrade Reimbursement. A Proponent with a Project located in Zone 3 or Zone 4 should indicate in the Proposal their agreement to pursue the forgo Network Upgrade Reimbursement and their acceptance of the associated amendments to the PPA. In essence, Proponents that elect this alternative will be paying the costs of required Network Upgrades. Those amendments include:

- The acknowledgement of the repayment to NSPI of any cash payments received for Network Upgrade costs as per Article 11.4 in the GIA; and
- Requirement to provide additional Performance Security of \$50,000/MW

Proponents that elect the forgo Network Upgrade Reimbursement are prohibited from selecting the Congestion Management Alternative.

2.6.5 ANCILLARY SERVICES

Nova Scotia has approximately 600 MW of installed wind generation capacity and off-peak loads of less than 700 MW in summer months, presenting a challenge to integrate variable output generation in certain hours. NSPI and NSPSO – in coordination with Power Advisory – have identified operating strategies to limit these system reliability challenges.

2.6.5.1 Required Ancillary Services

Generation Facilities must provide Ancillary Services as stipulated in the Transmission System Interconnection Requirements and Generation Interconnection Procedures (“GIP”).

2.6.5.2 Compensation Framework for Ancillary Services

[NTD: *Compensation framework for A/S costs will be addressed in a subsequent draft.*]

2.7 CHANGES TO PROPOSAL

Proposals shall be irrevocable in the form submitted by the Proponents following the Proposal Submission Deadline. Proponents may edit or withdraw the information in their Egnyte folder (include their Proposals) until the Proposal Submission Deadline.

2.8 PROPOSAL DISCLOSURE

The PA may disclose, as it determines necessary or appropriate, all or part of any Proposal on a confidential basis to the Government of Nova Scotia, NSPI, the UARB, NRCAN, the CIB, the PA’s counsel and other advisors retained by the PA or the Government of Nova Scotia for the purpose of preparing or administering this RFP. Without limiting the generality of the foregoing, the PA may disclose:

- i. a summary of any Proposal on the RFP shortlist to the CIB and NRCan for their review for potential financing or funding;
- ii. any information provided in a Proposal that is necessary for the purposes of preparing the final report on the RFP for the Minister of Energy and Mines referenced in section 2.8.
- iii. all or any portions of the Selected Proposal(s) to NSPI for the purpose of executing the PPA(s); and
- iv. in a public release the name of the Selected Proponent(s), the name, location, fuel type and technology of the facility(ies) selected under this RFP, and the amount of offered electricity to be provided from such Selected Proposal(s) and such disclosure may be made on an individual basis or aggregated with information provided in other Selected Proposals.

For greater clarity, the Proponent irrevocably authorizes and consents to any representative of the PA, releasing, disclosing, providing, delivering and otherwise making available to other representatives of the PA, any and all such information relating to connections, proposed connections, meters, meter data pertaining to a proposed or contracted facility, an LDC account (as applicable) of the Proponent or facility as the PA or its representatives may advise is required in connection with the evaluation and administration of a Proposal under this RFP.

2.9 CONFIDENTIALITY AND PRIVACY

All information provided by or obtained from the PA in any form in connection with this RFP process other than through the website is the sole property of the PA and the information must be treated as confidential by the Proponent, and

- i. is not to be used for any purpose other replying to this RFP;
- ii. shall not be disclosed by the Proponent without the prior written authorization of the PA; and
- iii. shall be returned by the Proponent or third party, as applicable, to the PA immediately upon request of the PA.

A Proponent shall treat its Proposal as confidential until the conclusion of the RFP and the selection of the Selected Proposal(s), if any, has been publicly announced. Until such time, a Proposal must not be disclosed by the Proponent without the prior written authorization of the PA.

By submitting a Proposal, a Proponent authorizes the PA to collect, use and disclose any personal information contained in the Proposal for the purposes of evaluating Proposals and to store that personal information by the PA outside of Canada. The PA shall not utilize any personal information contained in a Proposal for any other purpose unless otherwise authorized by law or with the express consent of the individual. Under the privacy provisions of the Nova Scotia Freedom of Information and Protection of Privacy Act, individuals have the right to protection of, and access to, their personal information.

All information provided to the PA in any form in connection with this RFP (including the Proposal) may be subject to and may be collected, used, and disclosed in accordance with the Nova Scotia Freedom of Information and Protection of Privacy Act (Nova Scotia) ("FIPPA") and the Personal Information International Disclosure Protection Act (Nova Scotia) ("PIIDPA"). If a Proponent wishes to assert that certain portions of the Proposal contain propriety or confidential information, the confidentiality of which is to be maintained by the PA, Proponent shall clearly label all those portions of the Proposal materials they seek to be treated as confidential as "Confidential" and provide a written explanation that supports why this information is considered confidential must be provided.

If no corresponding information is identified as "Confidential", the Proponent will be deemed to have certified to the PA that no portion of the Proposal contains proprietary or confidential information for which confidentiality is

to be maintained by the PA. For the avoidance of doubt, despite the Proponent making certain portions of the Proposal as “Confidential”, the PA may be required to disclose some or all that information, where that information is not protected from disclosure under FIPPA, PIIDPA or other applicable legislation.

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

2.10 ADDENDA

This RFP may be amended by Addenda in accordance with this section 2.10. If the PA, for any reason, determines that it is necessary to provide additional information adding to or relating to this RFP, such information will be communicated by posting an Addendum the “RFP” tab on the Nova Scotia RBP website. Each Addendum may contain important information, including significant changes to this RFP, and Proponents are responsible for visiting the Nova Scotia RBP website as often as is necessary to ensure that they obtain all the Addenda to this RFP and other notices issued by the PA from time to time.

3 PROPOSAL EVALUATION

3.1 ORGANIZATION & COMPLETENESS

The PA will review Proposals for completeness and organization prior to evaluating RFP submissions by comparing the contents of the Proposal to the organization and completeness checklists found in Appendix 7.5. If a Project is missing a component, the Proponent will be notified and will have 24 hours to produce the missing component. If a Proponent is unable to produce the missing component within 24 hours, it will not be eligible to participate in the RFP.

3.2 EVALUATION CRITERIA

3.2.1 MINIMUM CRITERIA

To be eligible to be participate and be scored in the RFP, Proposals must meet the Minimum Criteria summarized below and outlined in detail in section 4.

Minimum Criteria Summary

Minimum Criteria	Section	Description
Renewable Low-Impact Electricity	4.1	The Project must be a Renewable Low-Impact Electricity Generation Facility as defined under the Renewable Electricity Regulations (N.S. Reg. 155/2010). If biomass, the Project must demonstrate that the biomass is harvested in a sustainable manner (see Appendix 7.8).
New build or expansion	4.2	Proponents must identify if the Project is a new-build or expansion.
Location	4.3	The Project must be physically located in Nova Scotia and connected to the Nova Scotia electricity transmission grid.

Price	4.4	The bid must include a fixed price for energy on a \$/MWh (dollar per megawatt hour) basis. The PPA Price must be below the Competitive Price Threshold. Price bids with an escalator will not be considered. All dollars must be expressed in CAD.
Commercial Operation Date (COD)	4.5	The Project must have a COD between January 1, 2022 – December 31, 2025.
Production	4.6	Proponent must include the annual project output over the 25-year Contract Term, for one year at the probability of exceeding 50%, 90% and 99% (P50, P90 and P99), and the Net Capacity Factor.
Capacity	4.7	Proponent must include the Project Nameplate Capacity. The Project will not be considered if its Nameplate Capacity is greater than 100 MW.
Project Risk	4.8	Proposals that have not achieved certain milestones or thresholds in development will not be considered. See section 4.8 for details.

3.2.2 SCORED CRITERIA

The Scored Criteria assess the Project across Project Risk, Price, Social & Economic Benefits and Grid Benefits; they are summarized below and outlined in detail in section 5:

- *Project Risk* assesses the likelihood the proposed Project will meet its proposed Commercial Operation Date (“COD”) and operate successfully over the lifetime of the asset. Many Project Risk sub-criteria have an associated Minimum Criteria.
- *Price* quantifies the cost/value of the electricity produced by the Project for NSPI Ratepayers.
- *Social & Economic Benefits* incorporates the value the Project adds to the social and financial well-being of local Nova Scotians, including the Mi’kmaq of Nova Scotia.
- *Grid Benefits* captures to the value of the Project to the grid.

3.3 WINNOWING AND AWARD PROCESS

3.3.1 TARGET RBP PORTFOLIO SIZE

The Target RBP Portfolio size is 1,200 GWh of Renewable Low-Impact Electricity. The Procurement Administrator aims to procure a minimum of 1,200 GWh and a maximum of 1,500 GWh of Renewable Low-Impact Electricity to meet this aim.

To elaborate, the PA is charged with procuring a minimum of 1,100 GWh through the RBP. To ensure this target is met, the PA will assume a project attrition rate of ~10%. Therefore, the minimum size of the RBP Portfolio is 1,200 GWh. To account for “lumpy” project sizes, the Procurement Administrator added an upper bound to the RBP Portfolio ~20% larger than the minimum size of the RBP Portfolio or 1,500 GWh.

The PA is also tasked with identifying the lowest cost renewable energy solutions for Nova Scotians. The Scored Criteria are designed to ensure that the lowest cost Projects, assuming they meet the bid requirements, will be selected for NSPI Ratepayers. However, if the cost of the RBP Portfolio is not competitive for NSPI Ratepayers due to a low supply, the Procurement Administrator may adjust the minimum size of the RBP Portfolio.

3.3.2 SHORTLIST PORTFOLIO SELECTION

3.3.2.1 Minimum Criteria

Upon receipt of Proposals, the Procurement Administrator will review Projects to determine if they meet the Minimum Criteria. If a Proposal meets the Minimum Criteria, it will be evaluated using the Scored Criteria; if it does not, it is not eligible to be scored.

3.3.2.2 Scored Criteria

Eligible Proposals will be evaluated using the rubric provided in section 5 to produce a Proposal Score ("Proposal Score").

The PA will stack all Proposals that meet the Minimum Score from based on their Proposal Score. From this stack, the PA will select the highest performing Project to fill a RBP Shortlist Portfolio no larger than 2,250 GWh (or 1.5x the upper bound of the RBP Portfolio)

If there are not enough Proposals that obtained the minimum score to fill a Shortlist Portfolio of 2,250 GWh, the Shortlist Portfolio will consist of all the Proposals that obtained the Minimum Score and higher.

3.3.3 RBP PORTFOLIO SELECTION

3.3.3.1 PA Conducts Proponent Interviews

All Proponents with a Project in the RBP Shortlist Portfolio will be invited to interview with the PA. Proponent responses will be used to refine the Proposal Score.

3.3.3.2 Determine Selected Proponent(s) & Selected Proposal(s)

To select the RBP Portfolio, the PA will stack Projects from lowest to highest Total Score. From this stack, it will select the highest performing Projects to fill an RFP Portfolio between 1,200 – 1,500 GWh. If there are not enough mature and cost-competitive proposals to fill a Portfolio of a minimum of 1,200 GWh, subsequent RFP's may be issued, pending guidance from the DEM.

3.3.4 TIE-BREAKER MECHANISMS

When ranking Proposals, the PA will apply the following tie-breaker rules:

- A. In the event of a tie between one or more Proposals with the same total point score under section 2.1 PPA Price, the PA will give the higher ranking to the Proposal with the higher score for Price (Criteria No. 2) as the first tie-breaker.
- B. In the event of a tie between one or more Proposals after the application of the first tie-breaker under section 5.3.1, the higher ranking will be awarded to the Proposal with the higher score for Social & Economic Benefits, Ownership (Criteria No. 3) as the second tie-breaker.
- C. In the event of a tie between one or more Proposals after the application of the third tie-breaker, the PA will use the random number generator function in Microsoft Excel (RAND) to rank Proposals. The higher ranking will be awarded to the Proposal with higher number that was generated. The Proposal with the highest number will be the Selected Proposal.

4 MINIMUM CRITERIA

The following Minimum Criteria must be met for the Proposal to be scored.

4.1 RENEWABLE LOW-IMPACT ELECTRICITY

Proponents must identify the type Renewable Low-Impact Electricity the Project will use for electricity generation. The Project must be a Renewable Low-Impact Electricity Generation Facility (“Low Impact Electricity Generation Facility”) as defined under the Regulations.

If biomass, the Project must demonstrate that the biomass is harvested in a sustainable manner. Details on sustainably harvested biomass are available in the Appendix section 7.8.

4.2 NEW-BUILD OR EXPANSION

Proponents must identify if the Project is a new-build or expansion.

An expansion is defined as new generation at a renewable energy generating facility that provides additional capacity added at the site of an existing project. A repower will not be considered an expansion. If the Project is an expansion, only the capacity directly related to the expansion is eligible for participation in the RFP. None of the capacity or energy that is under an existing contract with NSPI, or another entity is eligible.

4.3 LOCATION

Proponents must identify the latitude/longitude and the zone (see Appendix 7.6) the Project is located in. The Project must be physically located in Nova Scotia and connected to the Nova Scotia electricity transmission grid.

4.4 PRICE

The bid must include a fixed price for energy on a \$/MWh basis. The PPA Price must be below the Competitive Price Threshold. Price bids with an escalator will not be considered. All dollars must be expressed in Canadian dollars (CAD).

4.5 COMMERCIAL OPERATION DATE (COD)

The Project must have a COD between January 1, 2022 – December 31, 2025.

4.6 PRODUCTION

Proponents must include the annual project output over the 25-year Contract Term and for one year at the probability of exceeding 50%, 90% and 99% (P50, P90 and P99). Proponents must include the expected Net Capacity Factor.

4.7 CAPACITY

Proponents must include the Project Nameplate Capacity. The Project will not be considered if its Nameplate Capacity is greater than 100 MW.

A Proponent may submit two mutually exclusive Proposals that utilize the same site if the combined Nameplate Capacity is no greater than 100 MW. If the Proponent submits a second Proposal, they will need to submit a second Notice of Intent to Bid.

4.8 PROJECT RISK

Proposals must achieve certain milestones or thresholds in development related to site control, interconnection (completed Feasibility Study), a Project Plan (“Project Plan”), resource assessment, regulatory approvals, environmental risk, community engagement, financing, experience, and governance to be considered.

Scored Criteria	Milestone/Threshold
1.1 Interconnection	Proponents must have a completed Interconnection Feasibility Study (“Interconnection Feasibility Study”) from the NSPSO for between 100 – 140% of the Nameplate Capacity and meet all obligations and fees as outlined by the General Interconnection Procedures .
1.2 Experience	Proponent must demonstrate prior experience in planning, developing, financing, constructing, and operating a minimum of one Renewable Low-Impact Electricity project of the same type and similar size
1.3 Resource Assessment	<p>Resource Assessments must meet the following standards:</p> <ul style="list-style-type: none"> • <i>Wind</i> – Greater than 6 months of meteorological data from met stations at the proposed hub height onsite AND one year of highly correlated representative data from either a met tower on adjacent lands or a nearby Project, with an independent meteorologist attesting that the metrological data is correlated with the Project Site • <i>Run of the River Hydro</i> – 1 year of historical hydrology data and more than 10 years but less than 20 years of highly correlated representative flow data from another site • <i>Solar</i> – Underlying meteorological data sets from a reputable and commonly utilized source such as the National Solar Radiation Database (“NSRDB”) from National Renewable Energy Laboratory (“NREL”) • <i>Biomass</i> – Greater than 50% and less than 75% of fuel requirements are met by some form of written commitment for the procurement and delivery of required biomass fuels from biomass Proponent (s) throughout the Contract Term
1.4 Financing Plans	Proponent must demonstrate firm commitments for between 25% - 50% of the total cost and soft commitments for the remaining 50%; demonstrated ability to fund Projects.
1.5 Site Control	The Proponent must demonstrate more than 50% Site Control and Line of Sight for the remainder of the land. <i>[Details on Crown Land to be added]</i> .
1.6 Procurement, Construction and Operations	<p>Each of the following components must meet its respective objective:</p> <ul style="list-style-type: none"> • The <i>Generation & Major Equipment</i> must be proven. • <i>Procurement and Construction</i> contractors/service providers must be proven and effective • Operations and Maintenance (“O&M”) contractors/services providers must be proven and effective • The <i>Cyber Security</i> strategy must demonstrate that the Proposal will apply best practices throughout the Project’s life cycle and contribute to a more resilient grid in Nova Scotia

5 SCORED CRITERIA

The PA will evaluate the Proposals using Scored Criteria. Read on for details on Proposal requirements and evaluation.

1. Project Risk (30 points)		Minimum Criteria?	Maximum Points
1.1 Interconnection Status	Feasibility Study required; additional points for progress on Interconnection process	Y	5
1.2 Experience	Experience planning, developing, financing, constructing, and operating a Renewable Low-Impact Electricity Project of the same type and relative size; additional points for demonstrated ability to operate a Renewable Low-Impact Electricity Project in Nova Scotia.	Y	4
1.3 Resource Assessment	Level of confidence in Project's expected annual and lifetime output (GWh)	Y	3
1.4 Financing Plans	Progress on securing financial commitments for full project cost	Y	3
1.5 Site Control	Initial Site Control and progress on additional lease/options for Project land	Y	2
1.6 Procurement, Construction and Operations	Progress on Generation Equipment, Procurement and Construction, O&M, and Cyber Security	Y	2
1.7 Environmental Risk	Impact of the Project to the environment from the lenses of connectivity, fragmentation & degradation, and fine-filter biodiversity elements	N	3
1.8 Progress on Regulatory Approvals and Permits	Demonstrated progress on regulatory approvals and permits	N	2
1.9 Mi'kmaq Engagement	Level of engagement with the Mi'kmaq of Nova Scotia	N	2
1.10 Community Relations	Level of engagement with a diverse set of community stakeholders	N	2
1.11 Governance	Demonstrated commitment to ED&I	N	2
2. Price (40 points)			
2.1 PPA Price	Price competitiveness	Y	40
3. Social and Economic Benefits (20 points)			
3.1 Ownership	Ownership or partial ownership by the Mi'kmaq of Nova Scotia, an Underrepresented Group, or a Nova Scotian municipality	N	7
3.2 Economic Development	Engagement and planned financial commitments with Nova Scotia supply community	N	8

3.3 Social Programs	Capacity Building Plan and/or progress towards a Benefit Agreement	N	5
4. Grid Benefits (10 points)			
4.1 Zone	Location in one of the following zones, in order of preference: <ul style="list-style-type: none"> ○ Zone 3 ○ Zone 4 ○ Zone 2 (except far east) ○ Zone 1 ○ Zone 5 	N	10

5.1 PROJECT RISK

5.1.1 INTERCONNECTION

All Proposals must have a valid Interconnection Feasibility Study (“IFS”), as required by the Minimum Criteria, to be scored. Additional points will be awarded to Projects further in the interconnection queue (e.g., with an SIS, Interconnection Feasibility Study or a GIA). To secure these points, Proponents must include a copy of the study or agreement and meet the Nameplate Capacity (“Nameplate Capacity”) standards outlined below.

Proposals must include:

- A completed Interconnection Feasibility Study, SIS, and/or IFS from the NSPSO
- The Interconnection Request Number
- Details on if the Interconnection Request is for ERIS, NRIS or both
- The point of interconnection
- The voltage of the facilities
- A single-line diagram

0 points	The Proposal includes a Feasibility Study for between 100 – 140% of the Nameplate Capacity and meet all obligations and fees as outlined by the General Interconnection Procedures.
3 points	The Proposal includes an SIS and meet all obligations and fees as outlined by the General Interconnection Procedures. If a Proponent is submitting an SIS, the Nameplate Capacity must be between 85% - 100% of the Nameplate Capacity.
4 points	The Proposal includes an IFS and meet all obligations and fees as outlined by the General Interconnection Procedures. If a Proponent is submitting an IFS, the Nameplate Capacity must be equivalent to the Nameplate Capacity in the IFS.
5 points	The Proposal includes a GIA and meet all obligations and fees as outlined by the General Interconnection Procedures. If a Proponent is submitting a GIA, the Nameplate Capacity must be equivalent to the Nameplate Capacity in the GIA.

5.1.2 EXPERIENCE

Proponents must prove their ability to deliver the Proposal as bid by demonstrating their experience planning, developing, financing, constructing, and operating a Renewable Low-Impact Electricity Project of the similar type and similar size. The Proponent must provide examples of one or more relevant operational projects.

Proponents will be awarded additional points for their demonstrated ability to operate a Renewable Low-Impact Electricity Project in Nova Scotia. A Proponent will prove it has operated a Renewable Low-Impact Electricity Project if it, or its joint ventures, shareholders, or limited partners, either directly or indirectly, have any equity and voting interest in an entity that owns a Renewable Low-Impact Electricity Project in Nova Scotia.

Proposals must include:

- A list of the key members of the Project team and a description of their roles
- Resumes for the key members of the Project team
- A description of relevant project experience (name, location, type of Renewable Low-Impact Electricity, COD, relative size)

0 points	Proponent cannot demonstrate prior experience in planning, developing, financing, constructing, and operating a minimum of one Renewable Low-Impact Electricity project of the same type and similar size
1 point	Proponent can demonstrate prior experience in planning, developing, financing, constructing, and operating one Renewable Low-Impact Electricity project of the same type and similar size or another type of renewable low-impact electricity of similar size
2 points	Proponent can demonstrate prior experience in planning, developing, financing, constructing, and operating 3+ Renewable Low-Impact Electricity project of the same type and similar size
+1 point	The Proponent has 1 – 5 years of experience operating a Renewable Low-Impact Electricity project in Nova Scotia
+2 points	The Proponent has +5 years of experience operating a Renewable Low-Impact Electricity project in Nova Scotia

5.1.3 RESOURCE ASSESSMENT

Proponents must be able to demonstrate a strong quantitative case that the Proposal’s expected annual and lifetime Project output will perform as projected. The more rigorous the resource assessment and the more on-site data that has been collected, the more confidence that the PA and key Project stakeholders will have that the renewable energy resource assessment is accurate. All Projects must provide a current resource assessment including details of all losses assumed in the net energy calculation, plus the professional backgrounds of the assessment’s author(s).

Proposals must include:

- *Wind* – Proposals must include the number of met towers, the location and length of the data series from any reference station and its correlation to onsite data, any use of data from met towers existing turbines at or near the Project Site, the height at which the meteorological data was collected relative to the hub height, and the complexity of the terrain (and resulting turbulence) at the Project Site

- *Run of the River Hydro* – Proposals must include historical daily hydrology data at the proposed Project Site or a highly correlated representative flow from another site, the length of time of data collection, and the level of correlation between the daily hydrology data and the representative flow
- *Solar* – Proposals must use historical meteorological data sets from a reputable and commonly utilized source such as the NSRDB from NREL. Onsite data collection is strongly encouraged. If collected, Suppliers should include details on how the data was collected.
- *Biomass* – Proposals must outline biomass fuel supply assumptions and, where possible, delivery contracts for all fuel supply and transportation requirements over the Contract Term and contingency plans in the event one or more Proponent defaults during the Contract Term; assumptions about fuel characteristics such as moisture content should be provided, and storage plans to manage those fuel characteristics within required parameters should be discussed; lastly plans to deal with post-generation residue should be addressed

0 points	<p><i>Wind</i> – Greater than 6 months of meteorological data from met stations at the proposed hub height onsite AND one year of highly correlated representative data from either a met tower on adjacent lands or a nearby project, with an independent meteorologist attesting that the metrological data is correlated with the Project Site</p> <p><i>Run of the River Hydro</i> – 1 year of historical hydrology data and more than 10 years but less than 20 years of highly correlated representative flow data from another site</p> <p><i>Solar</i> – Underlying meteorological data sets from a reputable and commonly utilized source such as the NSRDB from NREL</p> <p><i>Biomass</i> – Greater than 50% and less than 75% of fuel requirements are met by some form of written commitment for the procurement and delivery of required biomass fuels from biomass Proponent(s) throughout the Contract Term</p>
1 point	<p><i>Wind</i> – More than 12 months and less than 24 months of meteorological data at the proposed hub height</p> <p><i>Run of the River Hydro</i> – More than 1 year and less than five years of historical hydrology data at Project Site and 20 years of highly correlated representative flow data from another site</p> <p><i>Solar</i> – Underlying meteorological data sets from a reputable and commonly utilized source such as the NSRDB from NREL</p> <p><i>Biomass</i> – 75% of fuel requirements are met by some form of written commitment and there is a plan for the remaining 25%; credible contingency plans exist in the event one or more Proponent defaults during the Contract Term</p>
2 points	<p><i>Wind</i> – More than 12 months of meteorological data but less than 24 months at the proposed hub height AND two-year of highly correlated representative data from a meteorological tower near the site of the proposed Project that has an independent meteorologist attest that the metrological data from the tower is correlated with the Project Site.</p> <p><i>Run of the River Hydro</i> – More than five years and less than ten years of historical hydrology data at Project Site and 20 years of highly correlated representative flow data from another site</p> <p><i>Solar</i> – Underlying meteorological data sets from a reputable and commonly utilized source such as the NSRDB from NREL and less than one year of onsite meteorological data</p> <p><i>Biomass</i> – 100% of fuel requirements are met by some form or written commitment; credible contingency plans exist in the event one or more Proponent defaults during the Contract Term</p>

3 points	<p><i>Wind</i> – More than 2 years of meteorological data from the Project Site at the proposed hub height for the Project</p> <p><i>Run of the River Hydro</i> – More than 10 years of historical hydrology data applicable to the Project Site</p> <p><i>Solar</i> – Underlying meteorological data sets from a reputable and commonly utilized source such as the NSRDB from NREL and more than one year of onsite meteorological data</p> <p><i>Biomass</i> – 100% of fuel requirements are met by firm biomass and fuel supply and delivery contracts over the Contract Term and there are credible contingency plans in the event one or more Proponent defaults over the Contract Term</p>
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5.1.4 FINANCING PLANS

The Proponent must provide a comprehensive and achievable Financing Plan for the Project. The Proponent must demonstrate it has a complete understanding of the Total Project Cost to build the and a path for how these costs will be financed on the proposed Project Timeline through Firm and Soft Commitments.

Firm Commitment means an agreement from an equity provider, lender or source of financing other than debt or equity which states, at a minimum, that such equity provider, lender or other provider, as applicable, has reviewed this RFP and the PPA, and the financial model (including projected costs and revenues) of the proposed Project, and that it agrees to advance or provide the amount of equity, debt or other financing, as applicable, for the proposed Project specified in the commitment letter by the proposed Financial Closing date specified by the Proponent under specified terms (including interest rate or anticipated return on equity), subject to the satisfaction of specific objective conditions. The commitment letter should clearly describe all such objective conditions. Objective conditions are those conditions which require the achievement of certain milestones or the provision of information to the financier and such conditions are informational in nature and would not represent an impediment to securing the financing and do not provide financiers with broad discretion regarding the determination of fulfillment of the conditions. Those conditions that provide the financier broad discretion to approve the fulfillment of the condition will not be considered objective

Soft Commitment means a fully executed term-sheet or indication of intent from an equity provider, lender, or source of financing other than debt or equity to advance or provide the amount of equity, debt or other financing, as applicable, for the proposed Project specified in the commitment letter by the Financial Closing date specified by the Proponent, which commitment does not meet the requirements of a Firm Commitment. The Proponent should demonstrate that these equity providers, lenders, or other providers, as applicable, have reviewed the PPA and have reviewed the Proponent cost estimates and financing assumptions and resulting project financial pro formas for the proposed Project and based on this review have determined that the proposed Project will provide satisfactory returns.

Proponents should clearly outline any sources of federal funding used in PPA Price assumptions and provide supporting documentation.

Proposal must include:

- Summary of Total Project Cost and breakdown of budget
 - Proponents should include the status of all sources of funding, and funding requests and if the offers are firm or soft
 - Status of discussions with lenders and investors

- Include any confirmation or conditional approval of financing required for the Project; if not applicable, explain why
- 2-years of audited financial statements
 - If a newly formed organization, such as a limited partnership, provide financial statements of parent organizations
- If financed on balance sheet, examples of prior projects built on balance sheet of the similar type and relative size as the proposed Project; if no prior examples and funds on provided financial statements do not demonstrate sufficient funds, describe how balance sheet financing would be accomplished
- [PA to add required documentation for federal funding]

0 points	Proponent can demonstrate firm commitments for between 25% - 50% of the total cost and soft commitments for the remaining 50%; Proponent has demonstrated ability to fund projects
1 point	Project has firm commitments for 50% of the total cost and soft commitments for remaining 50%; Proponent has demonstrated ability to fund projects
2 points	Project has received firm commitments for all financing for Total Project Cost
3 points	Proponent has demonstrated the ability to self-finance the Total Project Cost

5.1.5 SITE CONTROL

Private Land

Site Control (“Site Control”) is defined as documentation demonstrating a) ownership of, a leasehold interest in, or a right to develop a site, or b) an option to purchase or acquire a leasehold site for a Renewable Low-Impact Electricity Project. Site control includes land for the Project and the generator lead or transmission lines (i.e., the gen-tie line). If the developers are demonstrating Site Control with an option, the option must expire after the Target PPA Award Date. The Proponent must demonstrate Site Control by including copies of lease agreements, license agreements, and/or easement agreements.

If a Proponent does not have 100% site control, the Proponent must demonstrate clear line of sight to secure the remainder of the land for the Project. Line of sight (“Line of sight”) is defined as a Letter of Intent (“Letter of Intent”) to execute a lease or an option (to purchase or acquire a lease) signed by the landowner.

Crown Lands

[NTD: For Proponents pursuing development on Crown Lands, the RFP will include a screening and scoring process that will help evaluate potential risks associated with obtaining a Crown Lands Lease. In the upcoming weeks, the PA will announce details. For now, the PA can share that Proponents will be required to submit a shapefile of their proposed development projects, that propose to use/access Crown Lands. This will be used to identify potential risks associated with securing a lease of Crown Lands.]

The formal Crown Lands Lease process is administered by the Nova Scotia Department of Lands and Forestry, who will only begin the formal lease process with Selected Proponents. The process of obtaining a lease of Crown Lands for purposes of a project, may take 4-6 months (or longer), depending on the specifics of an application. This is a standard regulatory process that is independent of the RBP or GCR RFP processes. Issuing a lease for Crown Lands requires: extensive research; surveying; and a full Integrated Resource

Management review of all Crown Lands proposed for lease. It also requires confirmation that formal consultation with the Mi'kmaq has been discharged and is subject to Cabinet approval. The required process may uncover competing and pre-existing values, encumbrances, or rights associated with the proposed project footprint, which may or may not be mitigatable, and may take additional time to resolve.

Requests for a lease of Crown Lands will be subject to a satisfactory EA and Aboriginal consultation. By proposing to utilize Crown Lands, proponents are indicating their acceptance that the land on which they propose to construct their project, is subject to the satisfactory completion of required components of the Crown Lands lease process.

Potential bidders to the Rate Base Procurement that seek to use Crown Lands under administration and control of the Department of Lands and Forestry for their projects are required to submit their applications to Lands and Forestry after the issuance of the Request for Proposals by the PA and to state on the application an intent to participate in the Program. The formal reviews required for applications to lease Crown Lands submitted to Lands and Forestry, with the intent to be considered under this RFP, will be paused until the PA has determined the Selected Proponents and successful projects. In the case where potential bidders have already submitted an application to Lands and Forestry, they will be required to update their applications to state their intent to participate in the Program, provide shapefiles and be subject to the pause of formal reviews.

In the upcoming weeks, the PA and the Province of Nova Scotia will provide additional details to support developers' understanding of the various government approvals that are part of the RFP process.]

Proposals must include:

- A detailed map, or details maps, of the project site, the area surrounding it, and land parcels
- The latitude and longitude of the Project
- The total area of the project site (including the gen-tie line)
- A summary of all the land parcels (including the gen-tie); include if land is private, federal lands or on-reserve
- Private Land Parcels:**
 - Include status of lease/option (if executed, include landowner name and expiration date)
 - Include status of all remaining land (if line of sight, include Letter of Intent to execute a lease or an option signed by the landowner and the date by which land control should be achieved)
 - Include all copies of lease agreements, license agreements, easements agreements and/or Letters of Intent
- Crown Land Parcels:**
 - [To be added]

0 points	<p>Private Land The Proponent must demonstrate more than 50% Site Control and line of sight for access to the remainder of the land.</p> <p>Crown Land [To be added]</p> <p><i>If the Project site is a combination of private and Crown Land, the requirements will be production weighted by total area and rounded to the nearest half point.</i></p>
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<p>1 point</p>	<p>The Proponent can demonstrate 75% Site Control and line of sight for the remainder of the land.</p> <p>Crown Land [To be added]</p> <p><i>If the Project site is a combination of private and Crown Land, the requirements will be production weighted by total area and rounded to the nearest half point.</i></p>
<p>2 points</p>	<p>The Proponent can demonstrate 100% Site Control.</p> <p>Crown Land [To be added]</p> <p><i>If the Project site is a combination of private and Crown Land, the requirements will be production weighted by total area and rounded to the nearest half point.</i></p>

5.1.6 PROCUREMENT, CONSTRUCTION AND OPERATIONS

The Proponent must demonstrate an achievable plan to develop and operate a Renewable Low-Impact Electricity Project from the lens of procurement, construction and operations and maintenance. Proponents will do this by Generation Equipment, Procurement and Construction, Operations and Maintenance (O&M), and Cyber Security that meet the following objectives:

- The *Generation & Major Equipment* must be proven.

For wind and solar equipment, the proposed technology must (with the exception noted in the following sentence) have received type certification by a reputable and internationally recognized body such as Det Norske Veritas (DNV, formerly DNV-GL), TUV Nord or DEWI-UL, and must have achieved the industry standard certification(s) under International Electrotechnical Commission (IEC) standards appropriate for the proposed technology. Proposed wind or solar technologies that have such certification in progress as of the time this RFP is released will be eligible for award if the certifying body’s estimated date of completion is at least one year prior to the proposed Commercial Operation Date.

In addition, and applicable to wind and solar only, proven means produced by an Original Equipment Manufacturer (“OEM”) that has deployed at least 10,000 MW of commercial Projects and has deployed the proposed technology or a related model for a minimum of three years.

For other Renewable Low-Impact Electricity technologies, equipment must have received similar certifications or evaluations by reputable and internationally recognized certification or testing third-party providers, of which the PA will evaluate and determine eligibility in its sole discretion. Additionally, other energy technologies must demonstrate at least 1,000 MW deployed commercially for a minimum of three years or must provide a reasonable justification for why such a standard cannot be met, of which the PA will also evaluate and determine eligibility in its sole discretion.

The proposed technology does not represent a formal commitment but changes to the major OEM equipment will need to be approved by the PA in its reasonable discretion during the RFP selection and award process or by NSPI in its reasonable discretion if during the PPA negotiation process.

- Proponents must secure proven and effective *Procurement and Construction* contractors/service providers to deliver or manage Engineering/Procurement/Construction (“EPC”) needs.

Service providers must demonstrate prior experience with similar with Renewable Low-Impact Electricity projects of the same type and similar size. If the proposed service provider cannot demonstrate this experience, the PA will evaluate the associated risk to determine its eligibility.

The proposed contractors/services providers do not represent a formal commitment but changes to the Proposal will need to be approved by the PA in its reasonable discretion during the RFP selection and award process or by NSPI in its reasonable discretion if during the PPA negotiation process.

- Proponents must secure proven and effective *O&M* services for the Project.

The planned O&M provider, including if Proponent is using a third-party provider, must demonstrate at least five years of experience on same type and relative size as the Project. O&M provider should include 24/7 monitoring capabilities and allow the Proponent to meet all obligations outlined in the PPA.

- The *Cyber Security* strategy must demonstrate that the Proposal will apply best practices throughout the Project’s life cycle and contribute to a more resilient grid in Nova Scotia.

Proposals must include:

- Project Summary (150 words; high level)
- Description of Project Benefits (150 words maximum)
- Description of the Project (800 words maximum)
- Description of Project’s technical risks, their estimated likelihood and mitigation measures
- Project Timeline including:
 - Detailed timeline from Proposal Submission Deadline to Anticipated COD
 - Key development milestones and dates for phases such as design, procurement (for generation equipment and major equipment), major regulatory approval permit milestones (e.g., avian and bat studies, seasonal studies), construction and commissioning amongst others (e.g., GANTT chart)
- Description of Generation Equipment including:
 - Proposed OEM Proponent and model for each unit
 - Number of units
 - Capacity of each unit
 - Technical characteristics (such as specification sheets and power curves) and technical standards met
 - Evidence of meeting the requirements laid out until under the Generation & Major Equipment section above
- Description of Major Equipment (e.g., main transformers, inverters, trackers)
 - Proposed equipment manufacturer and model for each unit

- Documentation of technical characteristics (such a specification sheets and power curves) and technical standard met for all technologies; documents can and should be used to confirm compliance with grid service capability requirements
- Evidence of meeting the requirements laid out until under the Generation & Major Equipment section above
- Procurement and Construction Plan
 - Proposed service providers for procurement and construction related activities (e.g., EPC Service Provider & Experience)
 - Services providers must demonstrate prior experience with Renewable Low-Impact Electricity projects of the same type and similar size or be evaluated by the PA to determine eligibility in its sole discretion
- O&M Service Plan
 - Describe competitive process to obtain bids and cost assumptions for O&M Service
 - Proposed O&M Service Provider & experience
 - Describe competitive process to obtain O&M bids and cost assumptions
- A Cyber Security Strategy including:
 - A description of how the Proponent will use cyber security tools and adhere to standards on security (e.g., data management, incident reporting, communication protocols, supply chains, sensor networks, servers and data analysis, incident reporting, and customer data privacy)
 - Completion of the Canadian Cyber Security Tool ("[CSST](#)"), a virtual self-assessment (for their organization's operational resilience and cyber security posture) and inclusion of the results
 - Cyber security measures and controls that will be used to mitigate cyber risks and help prevent, respond to, and recover from cyber incidents and threats; and relevant direct outputs and 'bigger picture' outcomes as well a reference appropriate standards and tools

0 points	Each of the following components meet its respective objective: <ul style="list-style-type: none"> ● The <i>Generation & Major Equipment</i> must be proven. ● <i>Procurement and Construction</i> contractors/service providers must be proven and effective ● <i>O&M</i> contractors/services providers must be proven and effective ● The <i>Cyber Security</i> strategy must demonstrate that the Proposal will apply best practices throughout the Project's life cycle and contribute to a more resilient grid in Nova Scotia
+2 points	The PA will award a half point per component if they feel the Proposal significantly mitigates most of the risk associated with an objective.

5.1.7 ENVIRONMENTAL RISK

Proponents must identify and mitigate environmental risk associated with the Project including impacts to Connectivity, Fragmentation & Degradation, and Fine-Filter Biodiversity Elements. To quantify the Project's risk across these three categories, Suppliers are required to complete an Environmental Risk Assessment (template below), and to cite and include supporting evidence for their claims. Supporting evidence should include a summary of desktop studies completed to date. If a Proponent cannot provide a sufficient explanation and supporting evidence to support response/assessment of "Yes" or "No," the PA may mark unknown at their discretion.

Ecological Connectivity

Proponents should demonstrate consideration for regional ecological connectivity in siting and designing the Project. Regional ecological connectivity refers to lands that, due to their location on the landscape and ecological condition, play a critical role in biodiversity conservation by sustaining the long-term flow of ecological processes and native species (terrestrial species, birds, bats, aquatic species, etc.) across the landscape, including between relatively intact natural areas.

These lands include but are not limited to lands close to and between protected areas, and lands which may have experienced significant anthropogenic disturbances but can add value to secure or restore long-term landscape-scale ecological connectivity.

Landscape Fragmentation

Proponents should avoid relatively intact natural areas or limit their impact to this land in siting and designing the Project. Relatively intact natural areas refer to lands that, while not likely to be pristine, have relatively low levels of anthropogenic disturbance at the landscape scale and are therefore critical to biodiversity conservation. These areas have a lower density of roads and other linear corridors such as power lines compared to other lands in the region and are generally comprised of more mature and less fragmented forests.

Fine-Filter Biodiversity Elements

Proponents should avoid lands with rare or vulnerable ecosystems and species in siting and designing the Project. These are lands containing or being near species or ecosystem components at the site level that are rare or vulnerable, and therefore play an outsized role in biodiversity conservation. Examples include floodplains, watercourses, spawning areas, gypsum/calcareous areas, caves, old forest, wildlife congregating areas, hibernaculum, raptor nests, and habitat for species at risk.

Environmental Risk Assessment

Category	Questions	Explanation & Supporting Evidence	Yes (1pt)	No (0 pts)	Unknwn (2 pts)	Total Points
Ecological Connectivity	1. Is the Project located immediately adjacent to one or more protected areas? If yes, how many?					
Ecological Connectivity	2. Does your Project potentially involve causing impacts to watercourses or fish/fish habitat?					
Landscape Fragmentation	3. Does more than 50% of the Project involve disturbing natural/undeveloped habitat?					

Landscape Fragmentation	4. Does the Project involve known or potential impacts to Wetlands of Special Significance?					
Landscape Fragmentation	5. Is your Project potentially located in an area of cultural, historical, or archaeological significance?					
Landscape Fragmentation	6. Does your Project potentially involve causing impacts to water quality?					
Fine-Filter Biodiversity Elements	7. Does the Project potentially impact listed species at risk, including those protected under federal and provincial legislation? (e.g., mainland moose, bats, lichens, and migratory birds)					
Fine-Filter Biodiversity Elements	8. Is the Project located in an area where it will likely impact other sensitive or vulnerable species which are not listed?					
Total Points						

Proposals must include:

- Complete Environmental Risk Assessment
- All supporting studies and documentation cited in the “Explanation & Supporting Evidence” section of the Regulatory Approvals & Permits Risk Assessment

0 points	Proposal has completed the Environmental Risk Assessment. Proponent answered “Unknown” to one or more questions on the Environmental Risk Assessment or 13 – 16 points on the Environmental Risk Assessment
1 point	9 – 12 points on the Environmental Risk Assessment
2 points	5 – 8 points on the Environmental Risk Assessment
3 points	0 – 4 points on the Environmental Risk Assessment

5.1.8 PROGRESS ON REGULATORY APPROVALS & PERMITS

Proponents must demonstrate an understanding of the municipal, provincial, and federal regulatory approvals and permits (including completion of a Provincial and/or Federal Environmental Assessment) that the Project will require and present a plan on how to mitigate risk with the timing or receipt of the approval.

To do this, Proponents must include a Regulatory Approvals & Permits Risk Assessment in their Proposal. In the assessment, the Proponent will:

- Identify all anticipated approvals or permits needed, the steps to approval and the anticipated timing of each step
- State the application status (planning phase and expected submission timing; submitted and under review by applicable Department; or approved)
- List desktop studies, field baseline surveys (type and amount of baseline collected), and any other research that has been completed to date
- Include desktop studies, field baseline surveys (type and amount of baseline collected), and any other research that has been completed to date
- Outline steps taken to meet with government agencies/departments about permits and potential scoping requirements, and next steps to obtain the required approval; and
- Assess the risk associated with the timing or receipt of approval

Approvals or permits may be required from one or more of the following departments or governing bodies. Proponents will identify relevant departments or governments in the Risk Assessment template:

- **Province of Nova Scotia**
 - Department of Environment and Climate Change
 - Department of Lands and Forestry
 - Department of Agriculture
 - Department of Fisheries and Aquaculture,
 - Department of Infrastructure and Housing
 - Department of Service Nova Scotia and Internal Services
 - Department of Municipal Affairs
 - Department of Health and Wellness
 - Department of Energy and Mines
 - Nova Scotia Utility and Review Board
 - Nova Scotia Museum
- **Government of Canada**
 - Environment and Climate Change Canada
 - Impact Assessment Agency of Canada
 - Fisheries and Oceans Canada
 - Transport Canada
- **Local Municipal Offices**

Many authorizations required by the Departments listed above will also be subject to Crown-led Aboriginal consultation with the Mi'kmaq of Nova Scotia and will need to be factored into authorization timelines. Proponent-led engagement with the Mi'kmaq of Nova Scotia may be relied upon to assist in fulfilling the Provincial Crown's obligation to consult.

The Proponent will also need to support the Regulatory Approvals & Permits Risk Assessment associated with each regulatory approval or permit by providing an explanation and supporting documentation. Risk should be defined as follows:

- *Low Risk:* Permit or approval secured.
- *Medium Risk:* Proponent can demonstrate an understanding of regulatory/permit requirements and risk, a pathway to regulatory approval within the anticipated Project timelines, and a history of communication directly with regulatory departments to understand approvals and timelines.
- *High Risk:* Proponent has not conducted sufficient due diligence or cannot demonstrate a clear pathway to regulatory approvals. This includes but is not limited to failure to reach out to regulatory departments to understand regulatory approvals pathway or timelines, or a limited understanding of costs, time, or scope of work to achieve regulatory approvals.

Proponents are encouraged to use a range of public resources to inform their Proposal. These include but are not limited to:

- [Guide to Addressing Wildlife Species and Habitat in an EA Registration](#)
- The Wildlife Division of the Nova Scotia Department of Lands and Forestry [online database](#) for the population status of flora and fauna taxonomic groups throughout Nova Scotia at:
- [Endangered Species Act of Nova Scotia](#) — and [regulations](#) — to identify species at risk:
- Species at Risk [Public Registry](#) for Species at Risk Act
- The [Nova Scotia Museum of Natural History](#) and the [Department of Communities, Culture and Heritage](#) for information on significant habitat and species at risk and distribution data
- Significant [habitat data](#) relative to endangered species can also be obtained from the Atlantic Canada Conservation Data Centre
- Information on [Marine Renewable Energy](#) from the Nova Scotia Department of Energy and Mines:

Sample Regulatory Approvals & Permits Risk Assessment Template:

Department or Governing Body	Anticipated Regulatory Approval or Permit	Application Status	Steps Taken	Next Steps	Risk (Low, Medium, High)

Proposals must include:

- Complete Regulatory Approvals & Permits Risk Assessment
- All supporting studies and documentation cited in the Regulatory Approvals & Permits Risk Assessment

0 points	Proposal includes a complete Regulatory Approvals & Permits Assessment and all supporting documentation.
2 points	The Proposal does not include any High-Risk regulatory approvals or permits, as determined by the PA. Proposal includes all supporting documentation.

5.1.9 Mi'kmaq ENGAGEMENT

The Proponent must demonstrate historic and planned engagement with the Mi'kmaq of Nova Scotia as Rights holders.

Proponent’s engagement with the Mi’kmaq will be evaluated with using “[Proponents Guide: The Role of Proponents in Crown Consultation With The Mi’kmaq of Nova Scotia](#)” as a framework.

Proposals must include:

- A description of how the Proponent has fulfilled/intends to fulfill the recommended steps for engagement with the Mi’kmaq as outlined in the [Proponent’s Guide: Engagement with the Mi’kmaq of Nova Scotia](#)
- A long-term strategy for engagement with including any feedback or input implemented
- If available, letters of support, or something similar, from Mi’kmaq Rights holders that support claims

0 points	Proponent has a long-term plan to address concerns and fulfill obligations with the Mi’kmaq of Nova Scotia. Proposal must include a description of how the Proponent intends to fulfill obligations for engagement with the Mi’kmaq as outlined in the <i>Proponent’s Guide: Engagement with the Mi’kmaq of Nova Scotia</i> .
1 point	Proponent has developed a relationship with Mi’kmaq rights holders through engagement activity(ies), and can outline key concerns and interests. Proponent demonstrates an understanding of the Principles of Engagement as outlined in <i>Proponent’s Guide: Engagement with the Mi’kmaq of Nova Scotia</i> .
2 points	<p>Proponent has developed a relationship with Mi’kmaq rights holders through engagement activity(ies), and can outline key concerns and interests. Proponent has conducted substantial work to identify Mi’kmaq Rights holders and demonstrated an understanding of the Principles of Engagement as outlined in <i>Proponent’s Guide: Engagement with the Mi’kmaq of Nova Scotia</i>.</p> <p>Proponent has a detailed long-term plan to address concerns and fulfill obligations with a diverse set of community stakeholders, including the Mi’kmaq. Proponent can clearly demonstrate feedback and input from community stakeholders in the long-term plan.</p> <p>Proponent has supporting evidence to verify the statements above such as letters from Mi’kmaq communities and/or rights holders, as applicable.</p>

5.1.10 COMMUNITY RELATIONS

The Proponent must demonstrate historic and planned engagement with community stakeholders including Project neighbors, local groups, and Underrepresented Groups including other Indigenous groups.

Proposals will be evaluated on how well the Proponent does the following:

- 1) Identifies a diverse set of community stakeholders
- 2) Engage with stakeholders to identify short- and long-term concerns and interests
- 3) Addresses concerns and interests of stakeholders and in the short- and long-term

Underrepresented Groups include but are not limited to women; gender-diverse people; LGBTQ groups; other Indigenous groups, racialized people; and persons with disabilities.

Note: To the extent that a Benefit Agreement (“Benefit Agreement”), or anticipated Benefit Agreement, addresses community interests, the Proponent will receive points as described in section 5.3.3.

Proposals must include:

- Summary of stakeholders including list of groups, individual/group affiliation, organizations, communities,
 - A log of information shared, dates of engagement, overview of comments/concerns expressed during engagements.
 - Summary of actual and anticipated concerns; in addition, Proponent should include responses to the comments/concerns and a description of the steps taken or proposed to address them
 - Summary of actual and anticipated interests
- A long-term strategy for engagement with community stakeholders including any feedback or input implemented from
- Letters of support, or something similar, from municipal councilor(s), local community groups, and other stakeholders that support claims

0 points	<p>Proponent has identified a diverse set of community stakeholders and some of their concerns.</p> <p>Proponent has a long-term plan to address concerns and fulfill obligations with a diverse set of community stakeholders.</p>
1 point	<p>Proponent has developed a relationship with a diverse set of community stakeholders through engagement activities and can outline their key concerns and interests.</p> <p>Proponent has a detailed long-term plan to address concerns and fulfill obligations with a diverse set of community stakeholders.</p>
2 points	<p>Proponent has developed a relationship with a diverse set of community stakeholders through robust engagement activities and can outline their key concerns and interests.</p> <p>Proponent has a detailed long-term plan to address concerns and fulfill obligations with a diverse set of community stakeholders. Proponent can clearly demonstrate feedback and input from community stakeholders in the long-term plan.</p> <p>Proponent has supporting evidence to verify the statements above such as letters from municipal councilor(s), local community groups, and communities and/or stakeholders for Underrepresented Groups, as applicable.</p>

5.1.11 GOVERNANCE

Proponents must demonstrate a commitment to Equity, Diversity, and Inclusion (“ED&I”) by sharing an Equity, Diversity, and Inclusion Plan and/or by signing onto a public Equity, Diversity, and Inclusion commitment.

To define Equity, Diversity, and Inclusion:

- “Equity” means a condition or state of fair, inclusive, and respectful treatment of all people. Equity does not mean treating people the same without regard for individual differences.
- “Inclusion” means the extent to which diverse members of a group, society or organization feel valued and respected.
- “Diversity” means the acceptance and respect of various human dimensions including race, gender, sexual orientation, ethnicity, socio-economic status, religious beliefs, age, physical abilities, political beliefs, or other ideologies.

5.1.11.1 The Equity, Diversity, and Inclusion Plan

The Equity, Diversity and Inclusion Plan should describe an approach to improving the gender balance and increasing the diversity within the Proponent’s Canadian corporate structures as well as their broader hiring and supply chains in Canada. With respect to the latter, examples include efforts to increase the proportion of Underrepresented Groups in the energy sector, including but not limited to women; gender-diverse people; the Mi’kmaq of Nova Scotia; racialized people; and persons with disabilities, in the construction and operation phases of the Project.

A plan may include but is not limited to the following:

- Baseline of activities and workplace development on equity, diversity, and inclusion
- Public approach to promoting equity, diversity, and inclusion
- Corporate anti-discrimination and anti-racism policies
- Available statistics on proportion of underrepresented groups or visible minorities employed at all levels of their firm in Canada
- Equitable, diverse, and inclusive hiring processes and Proponent selection methods in Canada
- Employee benefits, such as parental leave, that support a more diverse workforce, and
- Corporate activities that seek to increase or support diversity in Canada’s energy industry, including training for hiring managers and staff.

5.1.11.2 Public Commitments

The Proponent also has the option to sign a public commitment related to ED&I. The commitment can be regional, provincial, federal, or sector-level commitments that improve outcomes for Underrepresented Groups. Examples of public commitments include 50 – 30 Challenge, Equal by 30, or Diversio Certification of D&I.

A public commitment is not limited to but must be related to the following:

- Reducing barriers to entry into the workforce
- Commitments to workplace equity, diversity, and inclusion measures
- Goals for representation in the workplace and leadership, and
- Commitments to the advancement of underrepresented persons in the workplace.

Proponents are required to disclose the following information:

1. The name of the public commitment
2. The organization delivering the public commitment
3. The details of the public commitment:
 - a. Objectives of the commitment
 - b. Timeframes of the commitment
 - c. Metrics to be measured
 - d. Specifics of the commitment
 - e. An overview of how the organization will meet the public commitment
4. How the public commitment aligns with the goals of the Program
5. Written confirmation and proof of signing on to the public commitment from the coordinating organization

Proposals must include:

- An Equity, Diversity, and Inclusion Plan and/or details on Public Commitments

0 points	Demonstrated commitment to ED&I (membership in Equal by 30, 50-30 Challenge, other public commitments), or description of how ED&I is practiced in the organization, internal metrics, and growth over time
2 points	Demonstrated commitment to ED&I (more than one public commitment such as Equal by 30, 50-30 Challenge, and other public commitments), and description of how ED&I is practiced in the organization, internal metrics, and growth over time

5.2 PRICE

Proposals will be evaluated as follows:

- 1) The PA will compare the bid price to the Competitive Price Threshold, defined as \$89 (“Competitive Price Threshold”)
- 2) If the PPA Price is above the Competitive Price Threshold, the Proposal will not be awarded any points, does not meet the Minimum Criteria and will not be scored. If the price is below the threshold, the Proposal will be awarded a maximum of 40 points, allocated based on the percentile ranking of the price. The PA will:
 - a. Use the PERCENTRANK function in Excel to establish a percentile value (as a decimal to the thousandths place) for each price using all the prices below the Competitive Price Threshold as a range
 - b. Subtract the percentile value from 1 to give the highest percentile to the lowest price (inverse percentile)
 - c. The inverse percentile value will be multiplied by 40 and rounded to the nearest half point to determine the additional point allocation.
- 3) The Proposal is awarded points for price

For example:

- 1) The Project PPA Price is compared to the Competitive Price Threshold
- 2) The Project is below the Competitive Price Threshold and meets the Minimum Criteria.
 - a. The Project PPA Price receives a PERCENTRANK output of 0.723 when evaluated compared to all other PPA Prices above the Competitive Price Threshold.
 - b. The percentile ranking output is subtracted from 1 to create an inverse percentile ranking ($1 - 0.723 = .277$)
 - c. This value is multiplied by 40 to calculate the raw number of points ($.277 * 40 = 11.08$). The number of points is rounded to the nearest half point ($11.08 = 11.0$)
- 3) The Proposal receives 11 points on price

Proposal must include:

- A price bid on a \$/MWh

40 points	Allocate a maximum of 40 points to each Project below the Competitive Price Threshold based on a percentile ranking of its price.
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5.3 SOCIAL & ECONOMIC BENEFITS

5.3.1 OWNERSHIP

Proposals from entities with a majority ownership structures by the Mi'kmaw community will receive the most points. These proposals must be mature and formalized through a legal agreement. Proposals must submit suitable evidence to demonstrate the formalized nature of the partnership or ownership structure (e.g. limited partnership) and any additional supporting information to demonstrate majority ownership, partnerships, or equity shares submitted by someone who has the authority to bind the organization. A letter of support is not sufficient to demonstrate partnerships or ownership structures for the project.

“Mi'kmaw community” means any of:

- one or more Nova Scotia Mi'kmaq First Nation.
- a company owned wholly, directly, indirectly, or beneficially, by one or more Nova Scotia Mi'kmaq First Nation; or
- a limited partnership in which the general partner is wholly owned by one or more Nova Scotia Mi'kmaw communities and in which one or more Nova Scotia Mi'kmaw community are the only equity and voting limited partner(s).

Minority ownership structures by the Mi'kmaw community, ownership structures that include an Underrepresented Group, or a Municipality or an aggregate of more than one municipality in Nova Scotia will be eligible for a lesser number of points. Proposals must submit suitable evidence to demonstrate the formalized nature of the partnership or ownership structure, and any additional supporting information by someone who has the authority to bind the organization.

Underrepresented Groups include are not limited to women; gender-diverse people; LGBTQ groups; other Indigenous groups; racialized people; and persons with disabilities.

Finally, Proponents that are in advanced negotiations for either majority or less than majority ownership will receive a lesser number of points. Advanced negotiations are defined as follows: the Proponent has secured Letter of Intent to enter an ownership agreement and the Letter of Intent includes details on the nature of the partnership/ownership that meet the criteria outline above and is submitted by someone who the authority to bind the negotiating entities. A letter of support from an Underrepresented Group(s) or similar is not sufficient to demonstrate partnerships or ownership structures for the project.

Proposals must include:

- Details on Project ownership structure
- Evidence to support the formalized nature of the partnership or ownership structure
- If applicable, Letter of Intent to enter an ownership agreement

+ 7 points	<p>Proposals will receive up to 7 points for a Project with majority ownership by Mi'kmaw communities.</p> <p>Proposals will receive up to a maximum of 6.5 points with .5 points per Mi'kmaw community, involved and an extra .5 point if more than one a Mi'kmaw community, is involved.</p>
+ 3 points	<p>Proposals will receive up to 3 points for a Project with a majority or minority ownership structure with an Underrepresented Group, minority ownership structure</p>

	by Mi'kmaw communities, or majority or minority ownership by a Nova Scotia municipality.
+2 points	Proposals will receive 2 points if the Proponent is in advance negotiations for either majority or less than majority ownership with the Mi'kmaw of Nova Scotia, an Underrepresented Group, or a Nova Scotia municipality.

5.3.2 ECONOMIC BENEFIT

Meaningful engagement with Nova Scotian partners is a vital part of economic growth in the region by creating industrial benefits and employment opportunities. Proponents must demonstrate engagement and planned financial commitments with the Nova Scotia Supply Community, including manufacturers, corporations, vendors, contractors, consultants, and service companies in the Province of Nova Scotia to receive additional points.

Proponents must submit a detailed plan that outlines how the Project will maximize employment for Nova Scotia residents in the short- and long-term, tangibly utilize the local supply community, and ensure a full and fair opportunity for the Nova Scotia Supply Community to participate on a competitive basis.

Proposals must include:

- Local Economic Development Strategy Overview:
 - A statement on the Proponent's commitment to local economic growth
 - Timeline and procurement forecast, including Proponent information sessions
 - Construction Data:
 - Total cost of project construction
 - Estimated input purchases from local suppliers
 - Wage and salaries
 - Total number of jobs (FTE)
 - Generation Data:
 - Annual cost of generation
 - Estimated input purchases from local suppliers
 - Wages and salaries
 - Total number of job (FTE)
- Local Employment
 - A statement on general local employment considerations including prioritization in local hiring, opportunities for skills transfer, expectation of skilled/innovative jobs created, and any recommendations, suggested programs, or initiatives to enhance skills and labor force development
 - Number of person-hours for Nova Scotians by year over the 25-year PPA contract life
 - % of new jobs created that will be granted to Nova Scotians (and an explanation when appropriate of why jobs created were not available for Nova Scotians i.e., location restrictions, workforce restrictions, gaps in skills development, etc.)
- Local Supply Community
 - A statement on procurement considerations which includes engagement of Nova Scotia Supply Community, considerations on how Nova Scotia Supply Community will be given a full and fair opportunity to participate on a competitive basis

- Approximate dollar value of goods and services procured from Nova Scotia Supply Community for the Project including the company names and descriptions of goods and services
- % of Total Project Costs procured from Nova Scotia
- An explanation when appropriate of why goods and services were not procured from Nova Scotia (e.g., higher costs, service/good not available, lack of expertise, etc.)

0 points	Proposal includes no planned financial commitments with the Nova Scotia Supply Community.
3 points	Proposal demonstrates engagement and planned financial commitments with the Nova Scotia Supply Community.
5 points	Proposal demonstrates engagement and planned financial commitments from the Nova Scotia Supply Community of which the value of goods and services is greater than 5% and less than 10% of the Total Project Cost.
7 points	Proposal demonstrates engagement and planned financial commitments from the Nova Scotia Supply Community of which the value of goods and services is greater than 10% of Total Project Cost .
+ 1 point	Specific programs/documentation that benefit Underrepresented Groups (i.e., employment details broken down by designated groups, ED&I hiring and workforce inclusion policies, policies on diversifying supply chain to target Underrepresented Groups).
- 1 point	If the Project has a significant negative impact to wilderness tourism, as demonstrated through public recourse on the Project, a point may be deducted.

5.3.3 SOCIAL PROGRAMS

The Proposal will receive additional points based on potential for Capacity Building (“Capacity Building”) and progress made formalizing Benefits Agreements.

Capacity Building refers to the conditions for an organization or community to strengthen and/or develop future renewable energy and grid modernization projects. Capacity Building projects should build knowledge and skills, advance research, and increase access to clean energy. Examples include, but are not limited to:

- Training, curriculum development and knowledge tools
- Workshops and engagement activities
- Peer-to-peer networks
- Mentoring, apprenticeships, and targeted trainings
- Community Energy Planning
- Feasibility, Engineering, Environmental Studies
- Resource Assessments

To receive a point for Capacity Building, the Proponent must provide details on one more capacity building projects that will occur.

Proposals may formalize these Capacity Building activities and/or other community benefits through Benefit Agreements. Proposals will be awarded points for a Letter of Intent/Memorandum of Understanding for a Benefit Agreement and an additional point for a fully executed Benefit Agreement.

In addition, Capacity Building activities and Benefit Agreements that benefit Underrepresented Groups will receive an additional point.

Benefits Agreements must be legally-binding between the Proponent and a beneficiary. The exact nature of the Benefit Agreement is not necessary to provide, but proof that one exists (or will exist) and both parties agree (or intend to agree) is required to receive points. The agreement must be submitted by those with authorization to bind the organizations.

Proposals must include:

Capacity Building Plan

- Description of activities that build knowledge and skills, advance research and increase access to renewable energy
- Details on the timing, cost, ownership, and execution plan

Benefit Agreements

- Proof of a Benefit Agreement or Letter of Intent/Memorandum of Understanding (“MOU”) for a Benefit Agreement

1 point	Clearly defined and impactful plan for capacity building OR proof of a Benefit Agreement or Letter of Intent/MOU for a Benefit Agreement
3 points	Clearly defined and impactful plan for capacity building AND proof of a Letter of Intent/MOU for a Benefit Agreement
4 points	Clearly defined and impactful plan for capacity building AND a proof of a Benefit Agreement
+1 point	Benefit Agreement targets the Mi’kmaq or Nova Scotia or an Underrepresented Group

5.4 GRID BENEFIT

5.4.1 ZONE

Points will be awarded based on the proposed Point of Interconnection of the Project. The Nova Scotia Power System has been divided into five (5) zones as part of the Network Upgrade Costs evaluation criteria. Section 9.5 shows a map of the Nova Scotia Power System and the general location of the five zones. A listing of all transmission circuits in the Nova Scotia Power System has been provided for greater clarity in section 7.7. Some of the transmission circuits cross two zones and therefore which zone a Project is in will depend on the Point of Interconnection on that circuit. Section 7.7 clarifies the procedure for determining which zone a Project is in for those circuits that cross two zones.

The table below tabulates how points will be allocated based on the Point of Interconnection location and upgrade cost risk mitigation election.

10 points	Projects with a Point of Interconnection in Zone 3 (Metro Halifax) and Zone 4 (East Valley / South Shore)
7.5 points	Projects with a Point of Interconnection in Zone 2 (Mainland)
5 points	Projects with a Point of Interconnection in Zone 1 (Cape Breton) or Zone 5 (Western) that chose the forgo Network Upgrade Reimbursement
2.5 points	Projects with a Point of Interconnection in Zone 1 (Cape Breton) or Zone 5 (Western) that chose the Congestion Management Alternative

6 TERMS & CONDITIONS

6.1 GENERAL

This is an RFP and not a tender call. Neither the PA, the DEM, or NSPI intends, or assumes any contractual or other obligations as a result of the issuance of this RFP, the preparation or submission of a Proposal by a Proponent, the receipt, opening and consideration of a Proposal, the evaluation of Proposals, provision of additional information or conduct of presentations, the Proponent participation in any discussions or negotiations, or any other basis whatsoever arising out of this RFP.

Proponents will bear all costs and expenses in connection with their participation in this RFP. By submitting any Proposal in response to this RFP, a Proponent irrevocably and unconditionally waives any claims against the PA, the Nova Scotia Government, or NSPI relating to the Proponent's costs and expenses associated with participating in this RFP.

A Proponent shall not have any claim against the PA, the Nova Scotia Government, or NSPI for any compensation of any kind whatsoever as a result of participating in this RFP process, including without limitation any claim for costs of the Notice of Intent Bid Fee, Proposal preparation or participation in negotiations, or for loss of anticipated profits, whether based in contract (including fundamental breach), tort, equity, breach of any duty (including, but not limited to breach of the duty of fairness) breach of the obligation to only accept compliant proposals or any other cause of action whatsoever.

Regardless of any other provision in this RFP, or any oral or written representation, promise or warranty provided to the Proponent by the PA (including any of the PA's officers, employees or agents) the PA will not be liable to the Proponent in relation to any matter relating to this RFP and any breach of this RFP by the PA or otherwise, including without limitation any claims based on the PA's breach of any express or implied warranty, or PA's negligence, intended conduct, omissions, or other wrongdoing.

By submitting a Proposal, the Proponent agrees to indemnify the PA, the Nova Scotia Government and NSPI against any liability to any third party in relation to the third party's direct or indirect participation in this RFP, including (without limitation) the third party's submission of a bid or proposal to the Proponent in reliance on the PA's responsibilities to the Proponent under this RFP, whether this claim is based on the PA's breach of this RFP, or any express or implied warranty, or based on PA's negligence, intended conduct, omissions, or other wrongdoing.

6.2 RESERVED RIGHTS

Notwithstanding anything contained in this RFP, the PA reserves the right to:

- i. reject any Proposal in whole or part whether or not completed properly and whether or not it contains all necessary information;
- ii. verify with any Proponent, including the Proponent with a Selected Proposal, or with any third party any information set out in a Proposal in accordance with section 6.3.3;
- iii. disqualify a Proponent who submits a Proposal that contains misrepresentations or any other inaccurate or misleading information;
- iv. disqualify a Proponent who has engaged in conduct prohibited by this RFP;
- v. make changes to this RFP or the form of PPA (subject to receiving any required regulatory approval), including substantial changes, without any liability whatsoever to Proponents, provided that those changes are issued by way of Addenda in the manner set out in this RFP;
- vi. waive any informality or irregularity in a Proposal at its discretion or to otherwise exercise administrative discretion with respect to a Proposal or a Proponent's compliance with this RFP;
- vii. reject all Proposals in the event that no Proposal demonstrates acceptable benefits for Nova Scotia electricity customers;
- viii. cancel all or any part of this RFP at any time and for any reason or to suspend this RFP in whole or in part for any reason for such period as the PA shall determine in its discretion, in each case without any obligation or any reimbursement to the Proponents; and
- ix. enter into post-submission discussions with any one or more Proponent(s) regarding price, project scope, or any other term of a Proposal, and such other terms as the PA may require, and to request additional information and clarification regarding any Proposal.

The rights reserved to the PA in this RFP are in addition to any other express rights or any other rights which may be implied in the circumstances, and the PA 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 PA exercising any of its express or implied rights under this RFP.

6.3 NO LOBBYING

Proponents, their agents or representatives (including lobbyists acting in compliance with *the Lobbyists' Registration Act*, SNS 2001, c 34) are strictly prohibited from communicating with any officer, member or employee of the PA, the Government of Nova Scotia or any of its departments, including the DEM, NSPI, any Restricted Party (as defined below) or any other person involved in development, administration or evaluation activities in respect of the RFP with an aim to influence the outcome of the RFP process, other than applications for permits, approvals, regulatory compliance purposes, technical arrangements or participating in public stakeholdering processes. Failure to comply with this provision may result in disqualification of such Proponent from the RFP process.

For the purpose of this RFP, Restricted Party means a Person who had, or currently has, participation or involvement in:

- a. any processes in connection with the RFP on behalf of the PA or the Government of Nova Scotia;
- b. the design, planning or implementation of the RFP for the PA or the Government of Nova Scotia; or any other relationship with the PA or the Government of Nova Scotia related to the

RFP; and who, as a result, and in the opinion of the PA in relation to the RFP has a Conflict of Interest

6.3.1 COLLUSION AND CONFLICT OF INTEREST

No Proponent shall be involved in preparing the contents of a Proposal of any other Proponent, nor coordinate the contents of its Proposal, with that of any other Proponent who does not have partial or full ownership of the other Proponent. Each Proponent shall keep the contents of its Proposal confidential until the conclusion of this RFP.

No persons involved in the preparation of a Proposal under this RFP and/or required by a Proponent to successfully implement its Proposal for this RFP and to comply with the PPA shall 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 *Competition Act* (Canada).

Failure to comply with this section 6.3.1 may result in disqualification of the Proponent from the RFP. The decision of the PA in any matters referred to in section 6.3.1 is final and binding on the persons requesting the ruling and all other persons including all Proponents and the PA. The PA reserves the discretion to establish relevant processes, from time to time, relating to any of the foregoing including identifying any circumstances in which a decision may be reconsidered.

In the event an Proponent has, or may have, business relationships or business or other exchanges outside the scope of this RFP and any of them is concerned that such relationships or exchanges might be viewed by the PA as being non-compliant with this section 6.3.1, then they may request a decision from the PA on a confidential basis by submitting a description of the relationship to the PA by email at novascotia@customerfirstrenewables.com. The decision of the PA in any matters referred under this section 6.3.1 is final and binding. The PA may provide any circumstances and information relating to any decision, and the decision by it, regarding any of the foregoing to all Proponents if the PA, in its discretion, determines that the decision is of general application or is in the interests of a fair and transparent RFP process.

6.3.2 DUE DILIGENCE BY PROPONENTS

Proponents are required to conduct their own due diligence in relation to all aspects of this RFP and the Competition. Proponents are responsible for carrying out any independent investigations, surveys, and studies which they consider necessary or appropriate in connection with satisfying their due diligence responsibilities, at their own cost.

6.3.3 VERIFICATION

All statements, information and documentation submitted as part of the RFP process are subject to verification in accordance with the terms of this RFP. If such statements, information or documentation are determined by the PA to be incorrect or misleading, the PA reserves the right to re-evaluate the Proponent compliance with this RFP and to revise the RFP submission's status, and, in the PA sole discretion, Disqualify the Proponent, thereafter.

6.3.4 ASSIGNMENT AND CHANGE OF CONTROL

A Proponent shall not assign its Proposal to another person (including by way of amalgamation or by operation of law).

A Proponent may not, directly, or indirectly, be the subject of a change of Control (including by way of amalgamation or by operation of law), except with the prior written consent of the PA, which consent may not be unreasonably withheld. Notwithstanding the foregoing, if the Proponent is, or is Controlled by, a company

that is listed on a recognized stock exchange (a “Public Company”) and there is a change of Control of the Proponent as a result of the trading of shares of such Public Company, the consent of the PA shall not be required for such change of Control, and the Proponent shall, within ten (10) Business Days following such change of Control having effect, provide with notice of such change of Control and such additional information as the, may reasonably require regarding the names of the persons who Control or otherwise indirectly or directly have an ownership interest in the Proponent , following such change of Control.

6.3.5 INTERPRETATION

- 6.3.5.1 The following materials form part of and are incorporated into this RFP
- i. The body of this RFP;
 - ii. All Appendices hereto; and
 - iii. All Addenda
- 6.3.5.2 Capitalized terms used in this RFP have the respective meanings ascribed to them in Appendix 7.2. Any conflict or inconsistency between the body of this RFP, the Appendices and any Addenda shall be resolved by interpreting the documents and information in the following order from highest priority to lowest priority:
- i. The body of this RFP
 - ii. Appendices
- 6.3.5.3 Unless otherwise specified, all references to money amounts are to Canadian dollars and cents and shall be rounded to the nearest cent.
- 6.3.5.4 Where the PA may take an action or make a determination under this RFP, the decision to take such action or make such determination shall be at the PA’s sole and absolute discretion.
- 6.3.5.5 This RFP is made under and shall be governed by and construed in accordance with, the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein.
- 6.3.5.6 Headings of sections are inserted for convenience of reference only and do not affect the construction or interpretation of this RFP. A reference to “section” means sections of this RFP, unless otherwise specified.
- 6.3.5.7 Despite the fact that this RFP was drafted by the PA’s legal and other professional advisors, Proponents acknowledge and agree that any doubt or ambiguity in the meaning, application or enforceability of any term or provision in this RFP shall not be construed against the PA or in favour of the Proponent when interpreting such term or provision, by virtue of such fact.
- 6.3.5.8 Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 6.3.5.9 If any provision of this RFP or its application to any party or circumstance is restricted, prohibited, or unenforceable, the provision shall be ineffective only to the extent of the restriction, prohibition or unenforceability without invalidating the remaining provisions of this RFP and without affecting its application to the other party or circumstances.
- 6.3.5.10 A reference to a statute includes all regulations and rules made pursuant to the statute and, unless otherwise specified, the provisions of any statute, regulation or rule which amends, supplements, or supersedes any such statute, regulation or rule.
- 6.3.5.11 Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a business day.

7 APPENDIX

7.1 POWER PURCHASE AGREEMENT (PPA)

[NTD: *The PA will release the PPA for comment, independent of the RFP, at another time.*]

7.2 DEFINITIONS

[NTD: *The PA will add Definitions in a later draft of the RFP.*]

7.3 NOTICE OF INTENT TO BID

[NTD: *The PA will add the Notice of Intent to Bid form in a later draft of the RFP.*]

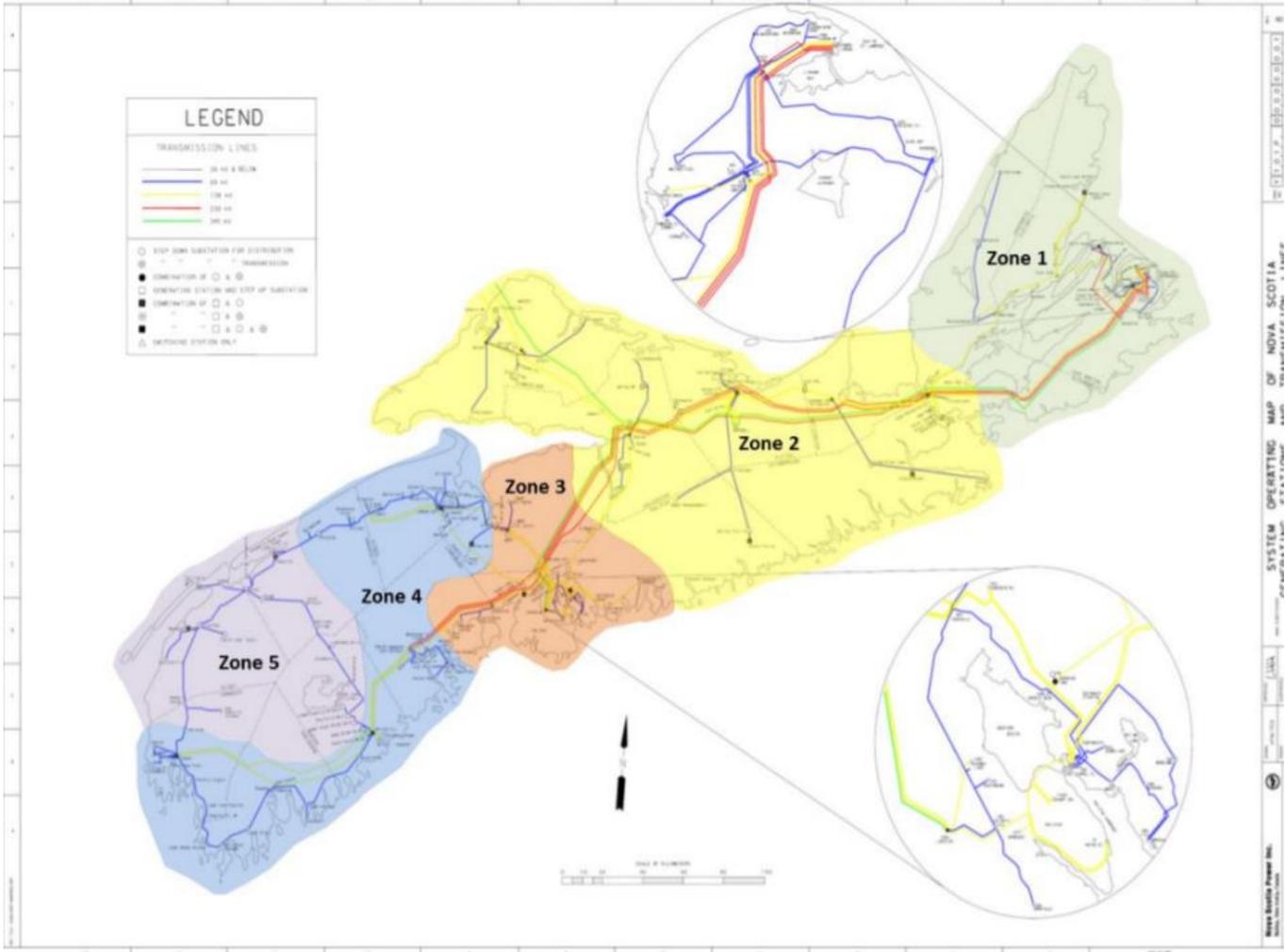
7.4 BID FORM(S)

[NTD: *The PA will add Bid Form(s) in a later draft of the RFP.*]

7.5 ORGANIZATION AND COMPLETENESS CHECKLISTS

[NTD: *The PA will these checklists in a later draft of the RFP.*]

7.6 ZONE MAP



7.7 DEFINITION OF ZONES

[NTD: *The PA will add a more detailed definitions of the zones in a later draft of the RFP.*]

7.8 GUIDANCE ON SUSTAINABLY HARVESTED BIOMASS

The following biomass sources are assumed to be biomass that has been harvested in a sustainable manner.

Primary Forest Biomass

Proponents utilizing forest biomass must also be registered with the Department of Natural Resources' (DNR) Registry of Buyers and, as such, will be subject to the same legislation, regulations and sustainable forest resource management obligations pertaining to the regular forest industry. Forest biomass used to generate Renewable Low-Impact Electricity will be limited to stem wood only of non-merchantable trees. No coarse or fine woody debris from primary forest harvesting will be considered to be sustainable biomass feedstock. Proponents or Proponents shall not harvest or acquire fuel from tree crowns, tops, or stumps from forest management operations. The sole exemption would be for such material generated from land development or urban sites.

Agricultural Energy Crops/Residues

Energy crops are non-food crops grown specifically for their fuel value, including electricity generation. These sources include short rotation woody crops (e.g., willow), and herbaceous energy crops (e.g., miscanthus). While the EcoLogo Standard CCD-003 provides general guidance on ensuring that crops are produced with low-impact, sound environmental management practices, the NS Environmental Farm Plan (EFP) and Nutrient Management Planning (NMP) are more appropriate references in the Nova Scotia agricultural context. A potential Project using energy crops must employ sustainable agricultural practices.

Sawmill and Wood Processing Residues

Proponents should demonstrate that they have secure arrangements or control over this portion of any wood biomass fuels. In addition, Proponents must also be registered with the Department of Natural Resources' (DNR) Registry of Buyers.

Farm-based

Farm-based biogas systems that use their own feedstock are eligible.

Liquid, solid, and gaseous fuels made from biomass

This category includes the material(s) used in the process to create products such as pyrolysis oil, syngas, pellets, and eligible liquid biofuels. The relevant issue for eligibility is whether the material comes from sustainable sources consistent with the EcoLogo™ definitions. Liquid, solid, and gaseous fuels made from biomass raise issues with respect to source that are similar to those with respect to primary forest biomass and the related fuel procurement plans; therefore, Proponents considering the use of non-harvested biomass sources (i.e., waste) must demonstrate the source is, and continues to be, sustainable.

Eligible liquid biofuels are liquid fuels that are derived from eligible biomass and that can be shown to provide a net environmental benefit, or that are derived from waste feedstocks, which include, but are not limited to, waste vegetable oils, waste animal fats, substances derived from wastewater and the treatment of wastewater, or grease trap waste.

Biosolids

Biosolids, or sewage sludge, are not eligible if the incineration results in a positive energy balance or emits significant amounts of nitrous oxides (greenhouse gases).

Air Quality Considerations

In order to be eligible biomass, all new biomass boilers must be rated to achieve the air emission performance rate of 35 mg/m³ PM emission. To achieve such performance, it is anticipated that boilers will likely require

emission control technology. In the Proposal, Proponents must identify the rated particulate matter emission level, the manufacturer's emission testing method, and the type of pollution control equipment.

Specifically Excluded Materials:

For further clarity, where thermal processing of biomass is being considered, eligibility is not extended to:

1. wood coated with paint, plastics or formica;
2. wood treated with preservatives containing halogens, chlorine or halide compounds like chromated copper arsenate or arsenic;
3. wood that has been treated with adhesives; and
4. railroad ties.

In addition, as per the Province's Solid Waste-Resource Management Regulations, Schedule "B", the following components of the Municipal Solid Waste stream are banned from Landfills and Incinerators:

1. corrugated cardboard;
2. newsprint;
3. leaf and yard waste; and
4. compostable organic materials