

	Summary Stakeholder Comments	Procurement Administrator Response
#	Consumer Advocate	
1.	<u>Performance Security</u> RFP s. 3.10 (a) (iii) says that Pre-COD Performance Security needs to be provided upon execution and PPA s. 6.1 says the Pre-COD amount must be provided prior to Commercial Operation. This clause in the PPA might benefit from revision if the intent is require the security concurrently with execution of the PPA. The Application states the pre-COD performance security was reduced to better align with other jurisdictions, but the application does not appear to provide examples of the other jurisdictions reviewed.	The language in s. 6.1(a) sets out the Seller’s obligation to “...<i>provide to and maintain with NSPI Performance Security in the amount of the Pre-COD Amount prior to Commercial Operation and Post-COD Amount from the date of Commercial Operation until the end of the Term.</i>” Section 3.10(a)(iii) required that the Selected Proponent deliver the Performance Security in the Pre-COD amount along with the executed PPA within 20 Business Days of the PPA Receipt Date. We do not think that s. 6.1(a) derogates from the Selected Proponent’s obligation to provide the Performance Security in the Pre-COD Amount upon execution of the PPA. We have revised the drafting in the Amended PPA to provide better clarity as follows: “...<i>provide to and maintain with NSPI Performance Security in the amount of the Pre-COD Amount <u>from the Effective Date</u> prior to Commercial Operation and Post-COD Amount from the date of Commercial Operation until the end of the Term.</i>” Other jurisdictions have lower performance security amounts than the previously approved Green Choice PPA¹: Ontario LT2(e-1) - \$35,000/MW subject to a minimum of \$500,000 and maximum \$15,000,000 (note that RFP security² is the same as Completion and Performance Security under the contract³). At COD, the Completion and Performance Security steps down to \$20,000/MW. BC Hydro 2025 Call for Power – Performance Security of \$60,000/MW⁴

¹ The previous Green Choice PPA had a Pre-COD Amount of \$125,000/MW and post-COD Amount of \$20,000/MW (Board order for M11455, dated June 6, 2024)

² <https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/energy/LT2e-1-20250627-RFP.pdf>

³ <https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/energy/LT2e-1-20250905-RFP-Consolidated-with-Addendum-1.pdf>

⁴ <https://www.bchydro.com/content/dam/BCHydro/customer-portal/documents/corporate/independent-power-producers-calls-for-power/call-for-power/2025-cfp-schedule-7-specimen-epa-blackline.pdf>

		Hydro-Quebec 2023 Call for Tenders- \$15, 000/MW at contract signing, additional \$15, 000/MW 18 months before COD. ⁵
2.	<u>Inflation Adjustment</u> It may be reasonable to price in an allowance for inflation for O&M costs to avoid Proponents including a higher risk premium, there does not appear to be any information in the application on how the 20% was derived or how it compares to other jurisdictions.	Escalating 20% of the Energy Rate is consistent with reported studies by the National Laboratory of the Rockies and International Renewable Energy Agency: https://www.osti.gov/servlets/purl/1544993 http://pinecreekpowersystems.com/wp-content/uploads/sites/2/Wind-Power_OM_Costs.pdf Ontario LT2(e-1) Contract – 20% is indexed to CPI ⁶ BC Hydro 2025 Call for Power – 30% indexed to CPI ⁷
3.	<u>Local Benefits Report</u> It is unclear why the payment would be made to NSPI and not the province in the event of a shortfall. Presumably the intent of the local benefits provision is to benefit the Nova Scotia economy generally and not Nova Scotia Power specifically.	NSPI is the counterparty to the contract and can enforce payment under the terms of the PPA. Under s. 10.1(a) if the Seller fails to make a payment and such failure is not cured, it will constitute a Seller Event of Default. Under s. 10.2(d)(i) NSPI can set off any payments owed in the event of an uncured Seller Event of Default. Any payments to NSPI would be reflected in reporting to the Board through its standard financial reporting mechanisms and recorded in accordance with applicable accounting standards and regulatory reporting practices, including treatment as unregulated income where appropriate.
4.	<u>Cybersecurity</u> It is prudent to require an IESO-approved cybersecurity plan	No change needed.

⁵ Section 10.1.1 in the pro forma contract <https://conversation.hydroquebec.com/33684/widgets/139602/documents/107220>

⁶ <https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/energy/LT2e-1-20250905-Contract-Consolidated-with-Addendum-1.pdf>

⁷ <https://www.bchydro.com/content/dam/BCHydro/customer-portal/documents/corporate/independent-power-producers-calls-for-power/call-for-power/2025-cfp-schedule-7-specimen-epa-blackline.pdf>

5.	<u>Tariff Adjustment</u> The proposed tariff adjustment is symmetrical and responds to the current high degree of uncertainty.	No change needed.
SWEB		
6.	<u>Cybersecurity Plan</u> The submission of the Cybersecurity Plan in s. 2.1 is accepted but there is no time limit on IESO NS approval of the plan. Commercial Operation could be delayed by IESO approval.	We cannot commit IESO NS to a review timeline since much depends on the quality of the plan and timing of its submission to IESO NS by the Seller.
7.	<u>Local Benefits Shortfall</u> Seller will have confidentiality obligations to its suppliers with regard to pricing, so the requirement to provide a Local Benefits Report is not feasible. SWEB would like the requirement deleted.	While we recognize the potential need for confidentiality, we think that the confidentiality provisions in s. 8.1(a) protect this information from public disclosure. We think that the Seller can provide for disclosure of its suppliers' information for the purposes of the Local Benefits Report in any non-disclosure agreement it has with its suppliers. It is also important to note that providing Local Benefits in a Proposal response to the RFP is not mandatory and if the reporting requirement is believed to be too onerous a Proponent to the RFP does not need to provide any such commitment.
8.	<u>Curtailment Payment</u> Annual payment for curtailed production may not be financeable since it is not aligned with Seller financial obligations	We are informed by NSPI in its submission to the Board, dated September 14, 2026, that payments will be made monthly as follows: a) Curtailment amounts will be calculated and known at the end of each calendar month; b) NSPI will process and pay curtailment amounts in the month following the month in which the associated energy was billed; and

		c) Subsequent reviews of metering and settlement data may warrant adjustments to previously paid curtailment amounts, which will be applied on an ongoing basis as they arise. We have revised the drafting of s. 5.1(b) in the Amended PPA to implement this process.
9.	<u>Energy Payment</u> Regarding the Early Completion Incentive, the interconnection timeline in Nova Scotia alone would almost certainly prevent every project in the province from achieving Commercial Operation on or before December 31, 2029 and would like the date pushed out to December 31, 2030.	We do not believe that this proposed revision is warranted. It is designed to be an incentive for completion of the projects by the end of 2029 so that Nova Scotia can meets its renewable energy target of 80% renewables and 1,000+ MW of wind energy projects by 2030⁸.
10.	<u>Force Majeure</u> There may be a formatting error in s. 11(a) (v)	It appears that the clause is split in two by the insertion of a hard return in the MS Word document. We thank SWEB for identifying this formatting issue and we have corrected this formatting issue in the Amended PPA.
11.	<u>Change in Law</u> Section 13.1 does not address changes in federal law and it should.	We do not agree that the Change in Law provision in s. 13.1 should address federal law. The context for this recommendation was a past federal election call and the uncertainty related to continued existence of the Canada Infrastructure Bank. We do not believe that this is an issue now. We have provided a targeted and specific means of dealing with imposition of federal tariffs in s. 16.9 of the PPA.

⁸ <https://www.novascotia.ca/sites/default/files/documents/1-3582/nova-scotia-clean-power-plan-presentation-en.pdf>

12.	<u>Inability to Secure CIB or SREP Funding</u> SWEB requests that to re-instate this protection in s. 16.9 of the first draft of the PPA.	Financing through the Canada Infrastructure Bank (CIB) and funding under the Smart Renewables Electrification Pathways (SREP) Program are well-established options in Canada and Nova Scotia; however, neither is a mandatory requirement for Proponents. Proponents are encouraged to contact CIB and SREP directly with any questions regarding eligibility requirements and application processes via the e-mail addresses provided in section 1.5 Federal Funding of the Request for Proposals.
13.	<u>Tariff Adjustment</u> SWEB requests that the 6-month prior to COD time limit be removed stating that it might be subject to tariffs closer to Scheduled Commercial Operation. It would like to have the right to submit a Tariff Adjustment Notice within six months after Scheduled Commercial Operation. SWEB would like s. 16.9(d) amended to have NSPI acceptance of the occurrence of the Seller Tariff Adjustment Event and the Proposed Revised Energy Rate after the twenty (20) Business Day period granted to NSPI has lapsed. SWEB thinks that the 7.5% Minimum Threshold for triggering a Tariff Adjustment Notice is too high and wants it lowered to 2.5% SWEB does believe that s. 16.9 g) (iii) (E) (1) where the Parties share equally in the cost of the Independent Expert if the Independent Expert's determinate falls between the position of the two Parties, incentivizes the Parties to be reasonable.	Most tariff exposure will be to long lead-time items, which ought to be ordered earlier than six months prior to Scheduled Commercial Operation. The time limit is set at six months prior to Scheduled Commercial Operation to provide a degree of certainty to the parties. We do not agree with the suggestion of having deemed acceptance. NSPI does not control the content in the Seller Tariff Adjustment Notice and therefore acceptance ought not to be deemed after 20 Business Days. We do not agree with lowering the Minimum Threshold. Having the Minimum Threshold set at 7.5% allows for the Seller to price this risk in its Energy Rate submitted in response to the RFP. A materiality filter that keeps minor, easily absorbed cost fluctuations out of that process (leaving them to ordinary Commercially Reasonable Efforts under 16.9(a)) is a normal, sensible piece of contract design. Without a floor, NSPI could face repeated claims over de minimis tariff movements. We do not agree with prorating the Independent Expert cost in s. 16.9 g)(ii)(E)(1). This seems like an unnecessary complication to the process.

14.	<u>Exhibit H Calculation of the Adjusted Price</u> SWEB would like escalation to be adjusted for delays in executing the PPA. It requests that CPI_{ED} be CPI_{ED} is the earlier of i.) the CPI in the month in which the Effective Date occurs; and ii.) the CPI of MONTH 2027.	We do not think that there would be a material delay to the execution of the PPAs by the Parties, so we do not think this will be an issue.
CanREA		
15.	<u>Exhibit H Calculation of the Adjusted Price</u> CanREA would like the annual escalation for CPI to be between increased from 20% to 25% - 30% range.	Escalating 20% of the Energy Rate is consistent with reported studies by the National Laboratory of the Rockies and International Renewable Energy Agency: https://www.osti.gov/servlets/purl/1544993 http://pinecreekpowersystems.com/wp-content/uploads/sites/2/Wind-Power_OM_Costs.pdf Ontario LT2(e-1) Contract – 20% is indexed to CPI ⁹ BC Hydro 2025 Call for Power – 30% indexed to CPI ¹⁰
16.	<u>Inability to Secure CIB or SREP Funding</u> CanREA recommends that the Program Administrator provide details regarding CIB availability at their earliest convenience, and amend the proposed PPA to re-include the protections that appeared in the first draft of the PPA.	We cannot comment at all on the availability of CIB funding. Please consult Section 1.5 of the RFP for details on CIB funding. Financing through the Canada Infrastructure Bank (CIB) and funding under the Smart Renewables Electrification Pathways (SREP) Program are well-established options in Canada and Nova Scotia; however, neither is a mandatory requirement for Proponents to the RFP. Proponents

⁹ <https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/energy/LT2e-1-20250905-Contract-Consolidated-with-Addendum-1.pdf>

¹⁰ <https://www.bchydro.com/content/dam/BCHydro/customer-portal/documents/corporate/independent-power-producers-calls-for-power/call-for-power/2025-cfp-schedule-7-specimen-epa-blackline.pdf>

		are encouraged to contact CIB and SREP directly with any questions regarding eligibility requirements and application processes via the e-mail addresses provided in section 1.5 Federal Funding of the RFP.
17.	<u>Tariff Adjustment</u> CanREA recommends that the Minimum Threshold for a Capital Cost increased be lowered to between 2.5% and 5% from 7.5%	We do not agree with lowering the Minimum Threshold. Having the Minimum Threshold set at 7.5% allows for the Seller to price this risk in its Energy Rate submitted in response to the RFP. A materiality filter that keeps minor, easily absorbed cost fluctuations out of that process (leaving them to ordinary Commercially Reasonable Efforts under 16.9(a)) is a normal, sensible piece of contract design. Without a floor, NSPI could face repeated claims over de minimis tariff movements.
18.	<u>Term</u> CanREA recommends that the Term be increased to 30 years.	Section 14 of the Green Choice Program Regulations fixes the term at 25 years, so we cannot agree with this recommendation. The regulation would need to be amended to permit a longer term.
19.	<u>Force Majeure</u> CanREA recommends that termination or material changes to the ITCs be an event of Force Majeure.	We do not agree with this proposed change. It is not clear to us that termination or material changes to Investment Tax Credits would prevent the Seller from performing its obligations under the PPA. Furthermore, we note that s. 11.2(b) expressly excludes financial matters from ambit of the Force Majeure relief provided under the PPA.
20.	<u>Local Benefits</u> CanREA recommends that: a) the requirement for detailed expenditures be relaxed (where NDAs prohibit sharing the information, and the Seller has made reasonable effort to adjust such NDAs), in favor	a) While we recognize the potential need for confidentiality, we think that the confidentiality provisions in s. 8.1(a) protect this information from public disclosure. We think that the Seller can provide for disclosure of its suppliers' information for the purposes of the Local Benefits Report in any non-disclosure agreement it has with its suppliers.

	of attestation by the Proponent or third-party (if possible), b) stating that an independent party (other than NSPI) be responsible for validating compliance and enforcement, and potentially collecting payment c) requiring NSPI (or independent party) to disburse any Shortfall payments to local organizations, or to create a community-benefit fund d) extending the deadline for both reporting and payment of any Shortfalls from 20 Business days post-COD to at least 90 days post-COD if not 12 months post-COD.	b) NSPI is administering the PPA and needs to be a position to evaluate compliance c) NSPI is the counterparty to the contract and can enforce payment under the terms of the PPA. Under s. 10.1(a) if the Seller fails to make a payment and such failure is not cured, it will constitute a Seller Event of Default. Under s. 10.2(d)(i) NSPI can set off any payments owed in the event of an uncured Seller Event of Default. Any payments to NSPI would be reflected in reporting to the Board through its standard financial reporting mechanisms and recorded in accordance with applicable accounting standards and regulatory reporting practices, including treatment as unregulated income where appropriate. d) We will extend the deadline to 40 Business Days.
IG		
21.	<u>Exhibit H Calculation of the Adjusted Price</u> IG requests an analysis of the expected ratepayer cost for extending post-COD CPI indexation to the full 25-year term. They also require justification for escalating 20% of the Energy Rate, suggesting a return to a fixed adjustment period if unproven.	Including a CPI escalation to 20% of the Green Choice PPA will lead to greater rate stability for ratepayers while reducing inflation risk for Sellers, which is expected to reduce submitted Energy Rate relative to Proponent Energy Rates under a fixed Energy Rate that would include a premium for risk exposure on inflation. Allowing for a CPI escalation of 20% would reduce the near-term Energy Rates paid by ratepayers and make for more stable annual rate adjustments overall. The majority of prospective Proponents have requested some level of CPI escalation to limit their project's exposure to increasing costs due to inflation, as is common for many other PPA structures in other jurisdictions, as we have already identified. Including CPI escalation lowers the risk that Proponents are expected to price into their submitted Energy Rate, to the benefit of ratepayers. If the Proponents are responsible for covering any risk associated with inflation, their estimate of inflation could exceed the actual inflation amounts to ensure their exposure to the downside risk is limited.

22.	<u>Early Completion Incentive</u> An economic analysis is needed to quantify the ratepayer cost of the Early Completion Incentive. This analysis must demonstrate that the value of early delivery exceeds the 25% Energy Rate premium.	The Early Completion Incentive is designed to achieve a federally mandated policy objective, while being net-positive for rate payers. It is an incentive for completion of the projects by the end of 2029 so that Nova Scotia can meet its renewable energy target of 80% renewables and 1,000+ MW of wind energy projects by 2030¹¹. Also, please see the response to comment #31, below.
23.	<u>Curtailment Compensation</u> The IG recommends setting defined boundaries on the process for finalizing the timing of curtailment compensation payments. This prevents the term from being resolved by the Procurement Administrator without further Board or Intervenor review.	We are informed by NSPI in its submission to the Board, dated September 14, 2026, that payments will be made monthly as follows: a) Curtailment amounts will be calculated and known at the end of each calendar month; b) NSPI will process and pay curtailment amounts in the month following the month in which the associated energy was billed; and c) Subsequent reviews of metering and settlement data may warrant adjustments to previously paid curtailment amounts, which will be applied on an ongoing basis as they arise. We have revised the drafting in the Amended PPA to include this process in s. 5.1(b).
24.	<u>Performance Security</u> Comparative jurisdictional data is requested to substantiate the reduction of the Pre-COD Amount to \$35,000/MW. This ensures the reduced security requirement is appropriate and does not expose	Other jurisdictions have lower performance security amounts:

¹¹ <https://www.novascotia.ca/sites/default/files/documents/1-3582/nova-scotia-clean-power-plan-presentation-en.pdf>

	ratepayers to development-stage project abandonment.	Ontario LT2(e-1) - \$35,000/MW subject to a minimum of \$500,000 and maximum \$15,000,000 (note that RFP security¹² is the same as Completion and Performance Security under the contract¹³). At COD, the Completion and Performance Security steps down to \$20,000/MW. BC Hydro 2025 Call for Power – Performance Security of \$60,000/MW¹⁴ Quebec 2023 Call for Tenders- \$15, 000/MW at contract signing, additional \$15, 000/MW 18 months before COD.¹⁵
25.	<u>ERIS/NRIS Connection</u> An evidentiary basis, such as an economic analysis or cost comparison, is required to prove that eliminating the Congestion Management Alternative and Forgo Network Upgrade Reimbursement options does not impose additional ratepayer costs.	The Congestion Management Alternative and Forgo Network Upgrade Reimbursement provisions were applicable only to projects connecting to the transmission system under NRIS service. After consultation, IESO NS has recommended proceeding with the ERIS only approach for this procurement. As such, these provisions would not have been utilized under the current procurement and were therefore removed from the PPA. Under this recommendation, IESO NS will evaluate, during Stage 5 of the evaluation process outlined in Section 4.5 of the RFP, the deliverability of project submissions. Additionally, the procurement scoring matrix is designed to bring forward only projects that present the best value for rate payers prior to conducting the deliverability assessment. We believe this approach best serves the interests of ratepayers by ensuring that infrastructure investments are made only where they deliver clear system-wide value and represent the most economical long-term solution.
Nova Scotia Power Inc. (NSPI)		
26.	<u>Performance Security</u>	We can revise the drafting to provide better clarity as follows: “...provide ~~to~~ and maintain with NSPI Performance Security in the amount of the Pre-COD Amount ~~from the Effective Date prior~~

¹² <https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/energy/LT2e-1-20250627-RFP.pdf>

¹³ <https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/energy/LT2e-1-20250905-RFP-Consolidated-with-Addendum-1.pdf>

¹⁴ <https://www.bchydro.com/content/dam/BCHydro/customer-portal/documents/corporate/independent-power-producers-calls-for-power/call-for-power/2025-cfp-schedule-7-specimen-epa-blackline.pdf>

¹⁵ Section 10.1.1. of the pro forma contract <https://conversation.hydroquebec.com/33684/widgets/139602/documents/107220>

	NSPI believes it would be beneficial to specify a required deadline for posting of the Performance Security in Section 6.1(a) of the PPA that corresponds to the timelines that the PA has established in Section 3.10 of the draft RFP.	<i>to Commercial Operation and Post-COD Amount from the date of Commercial Operation until the end of the Term."</i>
27.	<u>Curtailment Compensation</u> NSPI has finalized the process and timing for paying curtailment compensation.	We have revised the drafting of s. 5.1(b) in the Amended PPA to implement this process.
Small Business Advocate (SBA)		
28.	<u>Equipment Certification</u> The SBA requests reinstatement of the requirement to certify equipment. It says that a lender's technology requirements may not be sufficient for the province's needs.	We note that onshore wind energy technology is mature. The first commercial wind farm in Canada, Crowley Ridge Wind farm near Picher Creek, AB, began production in 1993¹⁶, 33 years ago. The current installed capacity of wind turbines in Canada is 20.1 GW, i.e., 20,100 MW¹⁷. Given the long history of wind energy in Canada and size of the installed wind capacity, we maintain that equipment certification is unnecessary, and providing security for equipment certification imposes an unnecessary cost on rate payers since the costs of such security will need to be recovered through the Energy Rate. We note that the PPA imposes a performance obligation on the Seller through its Energy Bid. The Seller is committed to its Energy Bid. Under s. 4.1(d), the Seller is liable to pay liquidated damages to NSPI if the Net Output in any year is less than 80% of the Energy Bid. Furthermore, it is a Seller Event of Default if the Facility "... ceases Energy production for a continuous period of 30 days due to an event other than (i) a Force Majeure Event, or (ii) an interruption or curtailment caused by NSPI or the System Operator, and the Seller does not, within such 30-day period, demonstrate to the satisfaction of NSPI, acting reasonably and having regard to the nature of the event giving rise to the cessation of Energy production, that

¹⁶ <https://www.windpowerengineering.com/decommissioning-canadas-oldest-wind-farm/>

¹⁷ <https://www.marketresearch.com/Mordor-Intelligence-LLP-v4018/Canada-Wind-Energy-Share-Trends-45299467/>

		<i>the Seller is using Commercially Reasonable Efforts to restore the Facility to commercial operation, and following such 30 day period ...”</i>
29.	<u>ERIS/NRIS</u> The SBA questions whether what the threshold value for making a network upgrade decision has been determined and whether it might eliminate potential qualified bidders. The SBA also questions whether the IESO has the capability to do deliverability testing.	The Congestion Management Alternative and Forgo Network Upgrade Reimbursement provisions were applicable only to projects connecting to the transmission system under NRIS service. After consultation, IESO NS has recommended proceeding with the ERIS only approach for this procurement. As such, these provisions would not have been utilized under the current procurement and were therefore removed from the PPA. Under this recommendation, IESO NS will evaluate, during Stage 5 of the evaluation process outlined in Section 4.5 of the RFP, the deliverability of project submissions. Additionally, the RFP scoring matrix is designed to bring forward only projects that present the best value for rate payers prior to conducting the deliverability assessment. We believe this approach best serves the interests of ratepayers by ensuring that infrastructure investments are made only where they deliver clear system-wide value and represent the most economical long-term solution.
30.	<u>Local Benefits Shortfall</u> The SBA questions what will be done with any Local Benefits Shortfall funding paid to NSPI.	Any payments to NSPI would be reflected in reporting to the Board through its standard financial reporting mechanisms and recorded in accordance with applicable accounting standards and regulatory reporting practices, including treatment as unregulated income where appropriate.
31.	<u>Early Completion Incentive</u> The SBA has several questions: 1. What is the reason for the additional payment?	The Early Completion Incentive is designed to achieve a policy objective, i.e., to provide incentive for completion of the projects by the end of 2029 so that Nova Scotia can meet its renewable energy target of 80% renewables and 1,000+ MW of wind energy projects by 2030¹⁸. The December 31, 2029, is set based on the 2030 policy objective. The one-year term for the incentive

¹⁸ <https://www.novascotia.ca/sites/default/files/documents/1-3582/nova-scotia-clean-power-plan-presentation-en.pdf>

	2. What is the value achieved for having the Commercial Operation Date and Commencement Date take place before December 31, 2029 and how is it calculated? 3. How was the 1.25 multiple determined? 4. How was the date (December 31, 2029) determined? 5. Is there any concern that the Seller could receive the Early Completion Incentive simply by achieving their intended Commencement Date? 6. Why is the incentive for a whole year? 7. Would a lesser term for the payment achieve the same incentive?	provides a sufficient incentive to have projects in service by 2030. Proponents to the RFP must state their Proposed COD in their Proposal and that becomes the Scheduled Commercial Operation Date in the PPA. We maintain that the proposed multiplier balances rate payer protection with developer risk to encourage early completion and achieve a federally mandated policy objective. The 1.25 multiple was arrived at by converting the liquidated damages amount of \$150/MW/calendar day in s. 2.5(d) of the PPA into an Energy Rate number denominated in \$/MWh, instead of \$/MW, based on the capped damages of 365 days set out in s. 2.5(d)(i). If we assume a PPA price of \$75/MWh and average capacity factor of 35%, total premium paid for early delivery of the project would be \$57,487 ($\\$75/\text{MWh} \times 0.25 \times 1 \text{ MW} \times 35\% \times 8760 \text{ h/year}$). A year's worth of liquidated damages of late delivery would be \$54,750 ($\\$150/\text{MW} \times 1 \text{ MW} \times 365 \text{ days/year}$). They are essentially the same number. The benefit for early delivery balances the cost of late delivery.
32.	<u>Cybersecurity Plan</u> The SBA questions whether the IESO has the expertise to approve the Cybersecurity Plans. It further questions whether NSPI has any authority to provide comments or raise concerns about the Cybersecurity Plan, either to the Seller or IESO?	We have discussed this with IESO NS and we have no concerns about IESO NS capability and expertise to review and approve the Cybersecurity Plan. NSPI is not approving the Cybersecurity Plan.
Natural Forces		
33.	<u>ERIS/NRIS</u> Natural Forces would like the PPA to incorporate either: an Energy Rate adjustment mechanism tied to actual Interconnection and Network Upgrade costs identified in the Facilities Study; or a no-fault termination right for the Seller, without any Termination Payment, where	We do not believe that any Energy Rate adjustment or Seller no-fault termination right is warranted. We believe that with an ERIS-type interconnection, the interconnection costs ought to be capable of estimation. Beyond interconnection costs relating to either Interconnection Customer Interconnection Facilities (ICIF) or Transmission Provider Interconnection Facilities,

	such costs materially exceed Feasibility Study estimates.	which are specific to the facility under study, ERIS interconnections generally identify only limited requirements for Network Upgrades, such as Protection & Control (P&C) or Remedial Action Schemes (RAS)_ design changes, as attributable to the project.
34.	<u>Exhibit H Calculation of the Adjusted Price</u> Natural Forces would like all references to CPI in the Agreement so that CPI is defined in s. 1.1 consistently as “All Items”, rather than “All Items excluding Energy,” including for the Energy Rate indexation and the Renewable Attribute Loss Rate.	Energy Rate will be indexed to CPI – All Items Excluding Energy because if the Energy Rate were indexed to a CPI series that includes energy prices, the Seller would effectively get compensated twice for energy price movements: once through the Energy Rate itself, and again through an index that rises specifically <i>because</i> energy got more expensive. Removing energy out of the CPI basket avoids that circularity — the Energy Rate escalates with general inflation (labor, materials, broad cost-of-living), not with the very commodity it is pricing. Post-COD, the Energy Rate only needs to escalate to account for inflation related to O&M costs, of which fuel is not significant a factor. The Renewable Energy Loss Rate is indexed to CPI – All Items. Historically, this has been designed to compensate for the loss of RECs, which are not energy, so the circularity noted above is not a concern.
35.	<u>Local Benefits Shortfall</u> Natural Forces would like s. 2.7 (Local Benefits Shortfall) to be amended to ensure that any Local Benefits Shortfall is not payable to NSPI, as this contradicts the intent of the Local Benefits scoring framework and is instead payable to a government administered fund; and the reporting and payment timeline is extended to at least 6–12 months after COD, to allow Proponents sufficient time to verify actual local expenditures and supplier availability.	We do not recommend any change. NSPI is the counterparty to the contract and can enforce payment under the terms of the PPA. Under s. 10.1(a) if the Seller fails to make a payment and such failure is not cured, it will constitute a Seller Event of Default. Under s. 10.2(d)(i) NSPI can set off any payments owed in the event of an uncured Seller Event of Default. We amenable to extending the deadline to 40 Business Days, which ought to be a reasonable amount of time for making the Local Benefits Shortfall payment. Any payments to NSPI would be reflected in reporting to the Board through its standard financial reporting mechanisms and recorded in accordance with applicable accounting

		standards and regulatory reporting practices, including treatment as unregulated income where appropriate.
36.	<u>Energy Payments</u> Natural Forces would like s. 5.1(a)(i) revised so that Energy Payments during the Interim Period are made at 100% of the Energy Rate, rather than 75%, to ensure the Seller can recover its full operating costs during this period.	We do not recommend any change in the payment during the Interim Period. The full Energy Rate ought not to be paid until the Seller has satisfied all the requirements of Commercial Operation in s. 2.4 of the PPA. This provides an additional incentive for the Seller to achieve Commercial Operation, i.e., if the full Energy Rate could be earned before all the requirements in s. 2.4 of the PPA were satisfied, there is no motivation on the part of the Seller to comply with these requirements at all. Ontario does not make any payments under its contracts until a project achieves commercial operation¹⁹. BC Hydro pays a Test Energy Price of \$40/MWh for any Electricity generated during testing that is done as part of satisfying the COD Requirements in its pro forma Electricity Purchase Agreement²⁰.
37.	<u>Curtailment Compensation</u> Natural Forces would like curtailment compensation payments made monthly	We are informed by NSPI in its submission to the Board, dated September 14, 2026, that payments will be made monthly as follows: a) Curtailment amounts will be calculated and known at the end of each calendar month; b) NSPI will process and pay curtailment amounts in the month following the month in which the associated energy was billed; and c) Subsequent reviews of metering and settlement data may warrant adjustments to previously paid curtailment amounts, which will be applied on an ongoing basis as they arise. We have revised the drafting of s. 5.1(b) in the Amended PPA to implement this process.

¹⁹ <https://www.ieso.ca/-/media/Files/IESO/Document-Library/long-term-rfp/energy/LT2e-1-20250627-RFP.pdf>

²⁰ <https://www.bchydro.com/content/dam/BCHydro/customer-portal/documents/corporate/independent-power-producers-calls-for-power/call-for-power/2025-cfp-schedule-7-specimen-epa-blackline.pdf>

38.	<u>Change of Control</u> Natural Forces would like s. 16.3(b) revised so that any change of Control is explicitly linked to Article 12 (Project Lender Provisions) so that lender step-in rights, cure rights and security interests are not overridden or impaired.	Any enforcement of step-in rights or assignment of PPA under Section 12 of the PPA would not trigger a breach of Section 16.3(b) because such enforcement would not in itself trigger a change of control of Seller. However, if the Participant would have pledged its shares in the Seller as part of the security granted to the Lenders, there would be an issue under both Section 16.3(b) and Section 16.4 of the PPA. We believe that this is the concern that Natural Forces is noting, consequently we have revised the following PPA sections in the Amended PPA as follows: 16.3(b): <i>"Notwithstanding Section 16.3(a) or Section 16.4 <u>and excluding any Change of Control resulting from the enforcement by a Lender of its rights under any Project Lender Agreement or Project Lender's Security Agreement</u>, a Change of Control that reduces the Participating Interest of a Participant shall not be permitted until the fifth anniversary of the Commencement Date."</i> 16.4(a): <i>"Notwithstanding Section 16.2 and Section 16.3, but subject to Article 12 <u>and excluding any enforcement by a Lender of its rights under any Project Lender Agreement or Project Lender's Security Agreement</u>, if the Project was awarded "Ownership" points in the Proposal's evaluation (as indicated by a "yes" response in item 14 of the Commercial Terms), the Seller shall cause the Participant to maintain, directly or indirectly, not less than the Participating Interest in the Project or the Seller, as the case may be, until the fifth anniversary of the Commencement Date."</i>
39.	<u>Tariff Adjustment</u> Natural Forces would like the Minimum Threshold removed such than increase in Capital Cost caused by tariffs is fully recoverable.	We do not agree with lowering the Minimum Threshold. Having the Minimum Threshold set at 7.5% allows for the Seller to price this risk in its Energy Rate submitted in response to the RFP. A materiality filter that keeps minor, easily absorbed cost fluctuations out of that process (leaving them to ordinary Commercially Reasonable Efforts under 16.9(a)) is a normal, sensible piece of contract design. Without a floor, NSPI could face repeated claims over de minimis tariff movements.