

Ministry of Energy

Office of the Minister

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MC-994-2021-597

August 27, 2021

Ms Lesley Gallinger
President and Chief Executive Officer
Independent Electricity System Operator
1600—120 Adelaide Street West
Toronto ON M5H 1T1

Dear Ms Gallinger:

I want to thank the Independent Electricity System Operator (IESO) for undertaking contract negotiations with NRStor Inc. and Six Nations of the Grand River Development Corp. (i.e., the Proponents) on the Oneida Battery Park Project (i.e., the Project) and providing its assessment of the final term sheet negotiated with the Proponents.

Based on the proposed term sheet, potential system benefits, as well as recognizing the potential to enhance the integration of storage technologies into Ontario's electricity market, I am asking that the IESO finalize the term sheet and proceed to drafting a contract with the proponents. The final terms should ensure with a reasonable degree of certainty that the Project will bring a net benefit to electricity consumers.

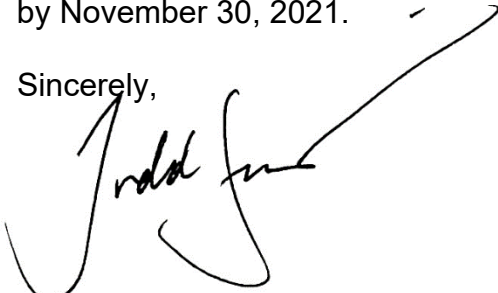
Please submit the drafted final contract for consideration, prior to a potential Minister's OIC Directive to execute a final contract. I will not consider a directive to the IESO asking it to execute the drafted final contract until:

- National Resources Canada's determination regarding the \$50 million in funding under the Smart Renewables and Electrification Pathways Program is known; and
- The ownership of the project is fully clarified, including the equity participation of both NRStor and Six Nations of the Grand River Development Corp.

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Thank you for your continued work on this project and all projects in the Ministry's Project Assessment Framework (i.e., Unsolicited Proposals assessment framework). I am asking the IESO to provide the draft contract for consideration of an OIC/Directive by November 30, 2021.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Smith", with a long, sweeping flourish extending to the right.

Todd Smith
Minister

- c: Leonard Kula, Vice President, Planning, Acquisitions and Operations, and Chief Operating Officer, IESO
- Michael Lyle, Vice President, Legal Resources and Corporate Governance, IESO
- David Donovan, Chief of Staff to the Minister of Energy
- Stephen Rhodes, Deputy Minister of Energy
- Annette Verschuren, Chair & CEO, NRStor Incorporated
- Matt Jamieson, President & CEO, Six Nations of the Grand River Development Corporation