

## UNDERTAKING RESPONSE

IN THE MATTER OF a potential application by the New Brunswick Power Corporation pursuant to section 107 of the *Electricity Act*, S.N.B. 2013, c.7 in relation to the Renewables Integration and Grid Security ("RIGS") Project

Board Reference: Matter EL-002-2025

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### **Undertaking #01:**

**Date Requested:** September 3, 2025

**Transcript Reference:** TBD

**Requested by:** Ryan Burgoyne (UM)

**Date response provided:** September 3, 2025

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### **The Question:**

Provide the Request for Expressions of Interest document issued by NB Power for a new generation facility equipped with dual-fuel combustion turbines and grid stabilizing synchronous condensers.

### **Response to Undertaking #01:**

The Request for Expressions of Interest document issued by NB Power for a new generation facility equipped with dual-fuel combustion turbines and grid stabilizing synchronous condensers is attached as "01 NBP (UM) UT-01 Attachment – Capacity REOI".



**Énergie NB Power**

**REQUEST FOR EXPRESSION OF INTEREST**  
***220951-24-I30***

**Deadline for Submissions:**  
***August 9, 2024***

### **Request for Expressions of Interest (REOI)**

New Brunswick Power Corporation (“NB Power”), a Crown Corporation of the Province of New Brunswick, is seeking Expressions of Interest (EOI) from qualified respondents to build, own and operate a simple cycle combustion turbine generating station (Combustion Turbine Generating Station), at a site owned by NB Power, which will include the following:

- Simple cycle, natural gas fueled combustion turbine packages with a combined nominal capacity of 400 MW, with option to expand, at a single plant site and synchronous condensing capabilities provided by all installed capacity. The number of units will be optimized by NB Power to provide the required generating capacity and a suitable gas turbine type and class will be recommended and selected with NB Power. The combustion turbine package will consist of a combustion turbine generator, air inlet filtration unit, exhaust stack, start-up system, instrumentation and control system.
- Electrical systems for generator step up and grid interconnection and auxiliary station services.
- Dual fuel operating capabilities to utilize both natural gas and liquid fuels with consideration to convert to renewable/sustainable fuels once commercially available.
- Connection to a supplied natural gas interconnection point.
- Liquid fuel storage system including storage tanks, fuel forwarding equipment and fuel unloading equipment. Liquid fuel operation and fuel storage will consider the potential to operate on conventional light fuel oil (LFO, diesel), renewable diesel, and biodiesel.
- Winterized buildings for the combustion turbine package, balance of plant equipment, equipment for black start, and control room.
- Administration building.

Respondents interested in submitting an EOI for the project are requested to submit a prequalification request. Refer to Schedule D to prequalify to receive an information package for the project.

NB Power will receive and review submissions in accordance with the timeline and information set out in this REOI, including the information in the attached Schedules.

## **Timeline**

EOI submission deadline: August 9, 2024

## **Submissions**

Electronic submissions in Microsoft Office compatible format are preferred.

Submissions should include all the information and documents set out herein. No assumptions should be made by respondents that NB Power has any knowledge of the respondent, its experience, expertise or performance of its product and services other than what is submitted.

Qualified respondents should only submit:

- An executive summary of the response to the REOI
- Responses to the questions/requirements outlined in Schedule A

NB Power will only acknowledge receipt of submissions electronically. NB Power in its discretion may contact any, or none, of the respondents following the REOI submission date.

## **Contact Information for Submissions or Enquiries**

Expression of Interests to be submitted via email to:

Reference: Renewable Integration and Grid Security

Attention: Joanie Bradshaw

Email: [alltenders@nbpower.com](mailto:alltenders@nbpower.com)

## **NB Power**

For over 100 years, NB Power has been a part of the cultural and economic fabric of New Brunswick. The provincial electric utility has one of the most diverse generation fleets in North America, with approximately 80 per cent non-emitting generation. Over 2,600 energy experts provide reliable, safe and sustainable energy for over 400,000 direct and indirect customers every day. Using a customer-centric approach, NB Power is committed to developing sustainable energy for future generations of New Brunswickers. Part of this commitment includes investments in energy efficiency programs, energy solutions, renewable energy sources and smart grid technology. Additional information can be found at [www.nbpower.com](http://www.nbpower.com).

## **Summary**

NB Power identified a shortfall in generation capacity starting Fall 2027 due to provincial load growth, a widening gap between load growth and generation supply and an increasing supply of intermittent renewable electricity.

Considering the described current energy shortfall characteristics, the required generation would act primarily to provide energy security to meet growing peaks and variable/conventional generation shortfalls. These characteristics are uniquely suited to existing combustion turbine technology, currently used in the province, and widely used for this application in other jurisdictions.

The addition of synchronous condenser functionality will provide the additional benefit of dynamic reactive grid support as required for most of the year. This grid support provides NB Power with significant benefits related to the onboarding of new, inverter-based (reactive support) renewable energy sources.

The Combustion Turbine Generating Station will provide flexible resources for NB Power to react to variable weather-driven energy production and to provide incremental long-duration capacity to ensure grid security and reliability and provide:

- Generation
- Capacity
- Spinning reserve
- Synchronous condensing services

NB Power proposes a partnership where it will be an exclusive off taker of a 25-year power and capacity purchase agreement with access to all agreed services provided by the Combustion Turbine Generating Station, based on the lowest cost to NB Power and its ratepayers, with an in-service date of November 1, 2027.

The project site property will be owned by NB Power and leased to the respondent at no cost.

## **Calendar of Events**

The following is NB Power's anticipated calendar of events for this REOI process. NB Power reserves the right to extend or otherwise modify any portion of the calendar of events or terminate this REOI in its sole discretion:

| <b>Calendar Event</b>                   | <b>Date</b>       |
|---|-------------------|
| *Issue REOI and Pre-qualify Respondents | June 24, 2024     |
| Receive EOI Submissions                 | August 9, 2024    |
| Evaluate and Select Respondent          | September 6, 2024 |
| Execute Power Purchase Agreement        | December 13, 2024 |
| Commercial Operation Date               | November 1, 2027  |

\*Note: Pre-qualification is required to receive the Project Information Package.

EOIs are requested no later than August 9, 2024, on or before 3:00 p.m. ADT. NB Power may not review or consider any submissions received after this date. This REOI schedule is subject to change at the discretion of NB Power.

## **Bidder Qualification**

Interested parties are required to submit a pre-qualification request form, see Schedule D, to pre-qualify and receive an information package for the project. The following minimum requirements must be met in the pre-qualification to be considered:

- Respondents must confirm interest to Build, Own and Operate the power plant facility.
- Respondents must demonstrate that they currently own and operate thermal power generating facilities.
- Respondents are requested to demonstrate experience in the project development, construction and commissioning of thermal power generating facilities.
- Respondents must sign a Non-Disclosure Agreement (NDA) applicable to the project information that will be provided.

(Note: Submittals which do not confirm interest to build, own and operate the facility, and only express interest in equipment supply or services will not be considered)

## **Terms and Conditions**

The following terms and conditions apply:

- Depending on the responses to this REOI and the information gathered, NB Power, in its sole discretion, may request one or more formal submissions and/or may enter direct negotiations with select responder(s) or may choose to do neither.
- This REOI is issued for information gathering purposes only and is not intended to be a legally binding “Contract A” bidding process. Without limiting the generality of the foregoing, this REOI will not necessarily result in any subsequent negotiations, direct contract award, invitational tendering process or open tendering process.
- NB Power reserves the right to examine submissions as they are received and to communicate with and negotiate with responders, whether before or after the submission deadline.
- Any subsequent steps after the REOI process has ended may require NB Power Board approval in order to proceed.
- Participation in this REOI process does not give rise to any legal obligations, contractual or otherwise, between NB Power and any responder(s).
- NB Power shall be free to negotiate with one or more responders submitting an EOI, or any other person and NB Power shall not be contractually bound in any way to any responder(s) submitting an EOI until such time as NB Power has negotiated and executed a separate agreement that is totally independent of this REOI process and NB Power has obtained any necessary approvals to do so.
- This REOI process shall be governed by and construed in accordance with the laws of the Province of New Brunswick and the federal laws of Canada applicable therein.
- All information provided by or obtained from NB Power in any form in connection with this REOI, either before or after the issuance of this REOI: (a) is the sole property of NB Power and must be treated as confidential; (b) is not to be used for any purpose other than replying to this REOI; (c) must not be disclosed without prior written authorization from NB Power; and (d) shall be returned by the responder(s) to NB Power immediately upon the request of NB Power.
- NB Power makes no representations or warranties with respect to the information presented in this REOI. It will be the responsibility of any interested responder(s) to conduct their own reviews.

- The responder(s) shall consent to the collection by NB Power of the information as contemplated under the REOI for the uses contemplated under the REOI. Information provided by a responder may be released in accordance with the Right to Information and Protection of Privacy Act, S.N.B. 2009, c.10.6, as amended. The responder(s) should identify any information in their submission, or any accompanying documentation supplied in confidence for which confidentiality is to be maintained by NB Power. The confidentiality of such information will be maintained by NB Power, except as otherwise required by law or by an order of a court or tribunal. The responder(s) shall consent to the disclosure, on a confidential basis, of its submission by NB Power to its advisors retained for the purpose of reviewing or participating in the review of their submission.
- NB Power shall endeavor to answer questions and provide information to interested responder(s) in a timely fashion; however, NB Power does not guarantee, represent or warrant in any way that any such information can be provided in the time required by responder(s), or the accuracy or completeness of such information. NB Power reserves the right to distribute any questions or concerns raised by a responder relating to this REOI to any other responder(s), along with NB Power's response to such questions or concerns. In doing so, the source or author of the questions or concerns will remain confidential and anonymous.
- All communications from NB Power regarding this REOI will be in writing or via email. No information given orally by any NB Power representative will be binding upon NB Power, nor will it be construed as changing the requirements of this REOI.
- A responder may not at any time, directly or indirectly, communicate with the media in relation to this REOI without first obtaining the written authorization of NB Power.
- NB Power may discontinue this REOI at any time either before or after completion of the process.
- NB Power shall be entitled to, at its sole discretion, to extend the deadline for submissions.
- NB Power shall be entitled, in its sole discretion, to waive any irregularity, informality or non-conformance with these instructions in any submission received by NB Power.
- NB Power reserves the right, post-submission, to review and/or make modifications to Schedule "A" with any one or more responders without having



any duty or obligation to advise any other responder or to allow them to vary their submission as a result of such changes. NB Power shall have no liability to any other responder as a result of such modifications.

- In the event NB Power enters into negotiations with any responder and the negotiations are not satisfactory to NB Power, NB Power reserves the right to discontinue such negotiations at any time, to enter into or continue negotiations with persons that did not respond to this REOI and/or solicit new submissions from persons that did not respond to this REOI.
- No term or condition shall be implied, based upon any industry or trade practice or custom, any practice or policy of NB Power or on any other basis, which is inconsistent or in conflict with the foregoing provisions.
- All costs incurred in the preparation of submissions to this REOI, including any interviews, presentations and subsequent submissions, are the sole responsibility of the responder(s) and will not be chargeable in any way to NB Power.

## **Schedule A - Requirements**

Interested parties shall submit a pre-qualification request and experience summary to prequalify.

Pre-qualified respondents submitting an EOI response should provide information on their submission also covering relevant company information and experience including the following:

1. Cover letter confirming interest to bid and signed by authorized signatory of the bidder's firm/parent company.
2. Company organization, structure, number of employees, disciplines, and office locations, etc.
3. In cases where the respondent is a consortium, a complete list of the proposed consortium members and the pertinent draft shareholding agreement, including the documents evidencing the formation of the consortium and the proposed ownership structure; signed and sealed with the Corporate Stamp, or equivalent authorized signatory, will be requested.
4. Confirmation from the respondent or, where the respondent is a consortium, each member of the consortium that there does not exist any conflict of interest whatsoever, which would prevent the respondent or, the consortium member from being a party to the Project Agreements.
5. A list of current and recently completed projects of a similar nature to the Project, including as minimum, a brief description of the overall project, Company's scope of service, the project value, year of commercial operation, stake ownership of the respondent and client references (names and phone numbers).
6. Information to demonstrate access to competent, engineering, procurement and construction (EPC) contractors for the Project.
7. Overview of Respondent proposed methodology to execute the Project, including principal office locations and execution strategy.
8. Include a timeline where the Project is to be fully operational by November 1, 2027.
9. Proposed plant configuration and combustion turbine unit selection.
10. Input on project development, construction and commissioning timelines.
11. Input on capacity payment rates needed to provide a viable project.
12. Input on non-fuel O&M variable operating costs.
13. Balance sheet with demonstrable minimum capital and funding to support the Project.

14. Audited financial statements for the last three years.
15. Certified copies of company registration certificates/documents required to prove legal status in Canada or country of registration.
16. Certified copies of Memorandum/Articles of Association (with other competent partners or joint ventures if applicable).
17. Previous experience in raising funds in support of IPP projects and having developed projects of a capacity equal to or greater than this Project in terms of size and complexity.
18. The respondent shall adhere to NB Power's cybersecurity policies and requirements.
19. The respondent to show how their proposal will benefit New Brunswick First Nation communities in any or all aspects of the project.
20. Any other information respondents consider relevant to the submission.

### **Pricing**

Respondents shall submit the following pricing information for budgetary assessment:

1. Monthly capacity payment in CAD/MW
2. Monthly synchronous condensing capacity payment in CAD/MVAr
3. Variable Operating cost in CAD/MWh (excluding fuel cost)
4. Startup Cost per generating unit in CAD/unit start (excluding fuel cost)
5. Synchronous Condensing Operating Cost in MVAr/hr. (excluding fuel cost)
6. Proposed mechanism and renewal period for rate adjustments

Note:

- Pricing shall be provided with rates applicable to the first year the project is fully operational.
- Capacity payments will be subject to available generating capacity.
- Payments for fuel costs for startup, testing and generation will be subject to the market price of fuel at the time delivery and the tested heat rate and contractual heat rate to be maintained during the contract term.

### **Submissions**

To ensure clarity for assessment, EOI submissions are to include all requirements identified in Schedule A, as well as the following:

1. A completed data summary sheet, as provided to pre-qualified respondents

2. Outline of proposed contractual term sheet
3. Be submitted via email

Note: NB Power will not be responsible for any costs incurred by parties in the preparation of EOI submissions. Information provided by parties will remain the property of NB Power and to the extent permitted by law, will be retained in confidence.

### **EOI Assessment**

NB Power's review, assessment and screening will determine which project will proceed to the next phase and will be largely based on the following:

- Price, best value to NB Power ratepayers
- Demonstrated ability to deliver on time
- Power Plant Operations Experience including Synchronous Condensing Services

Note: In the selection process, should more than one EOI be evaluated the same the following will also be considered:

- Capacity of combustion turbines owned and operated by respondent
- Capacity owned and operated in Canada
- Generating efficiency of plant configuration proposed for project

## **Schedule B – Reference Material**

NB Power has included the following information (or provided links to) that interested parties will need to consider if they decide to submit to this REOI:

### References:

- Project Information Package (available to pre-qualified respondents)
- NB Power Open Access Transmission Tariff
  - [NB Power OATT](#)
- NB Power Transmission Assets Map
  - <https://www.nbpower.com/en/about-us/our-energy/system-map>

## **Schedule C – Definitions**

*“Capacity”* means the capability of generating equipment to produce energy, measured in megawatts and recognized by the Transmission Provider, in accordance with applicable Transmission Provider rules.

*“Capacity Factor”* means the ratio of actual energy produced by an energy generating unit or system in each period, to the hypothetical maximum possible (i.e., energy produced from continuous operation at full rated power)

*“Combustion Turbine Generator”* means a continuous flow internal combustion engine generator comprised of a compressor, combustors, and a turbine coupled to a generator where the turbine is driven by the products of combustion and drives the compressor and generator.

*“Energy”* means electrical energy, measured in megawatt-hours (MWh).

*“MVAR”* means *megavolt-ampere of reactive power*.

*“MW”* means *megawatt*.

*“MWh”* means megawatt-hour (one MWh equals 1,000 kWh).

*“New Brunswick Power Corporation Open Access Transmission Tariff”* means the New Brunswick Power Corporation Open Access Transmission Tariff as approved by the Energy Utilities Board and which may be revised from time to time.

*“PPA”* means a Power Purchase Agreement for Renewable Project Output which NB Power may enter into with a developer of a renewable project as a result of a process totally independent from the REOI process.

*“Respondent”* means *a party submitting a response to this REOI*.

*“Synchronous Condensing Services”* means, in the context of combustion turbine generators, when the generator is operated not to produce power but instead to generate or absorb reactive power to adjust the grid voltage or improve power factor. When operating in synchronous condensing mode once the generator is synchronized and connected to the grid the combustion turbine is decoupled from the generator and shutdown.

*“Transmission System”* means the transmission facilities owned by NB Power to which a Renewable Project developer must connect its own transmission facilities.

## Schedule D – Pre-qualification Request Form

| REOI Pre-qualification Request  |   |             |                |  |              |               |
|---|---|-------------|----------------|--|--------------|---------------|
| <b>Applicant Information</b>  |   |             |                | <b>Mailing Address</b>                                       |              |               |
|   | Company Name:   |             |                | Address:   |              |               |
|   | Primary Contact:  |             |                | City:  | Postal Code: |               |
|   | Daytime Phone:  |             |                | <b>Developer Information (Project Partner) if applicable</b> |              |               |
|   | Fax:  |             |                | Company Name:  |              |               |
|   | E-Mail:   |             |                | Primary Contact:   |              |               |
|   |   |             |                | Daytime Phone:   |              |               |
| <b>Request for Pre-qualification and Declaration of Intent to Respond to REOI</b> |   |             |                |  |              |               |
|   | <p>The Respondent declares that they intend to submit an Expression of Interest in response to the REOI and has the following experience: (Check which one applies)</p> <ol style="list-style-type: none"> <li>1. Respondents confirms they are capable and in Intend to submit an Expression of Interest to Build Own and Operate the required 400 MW combustion turbine generating facility.<br/>_____ (respondent to initial)</li> <li>2. Respondent confirms that they currently own and operate thermal generating facilities.<br/>_____ (respondent to initial)</li> <li>3. Respondent confirms that they have previously developed combustion thermal generating facilities.<br/>_____ (respondent to initial)</li> </ol> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 30%;">Applicant:</div> <div style="width: 30%;">Signature:</div> <div style="width: 30%;">Date:</div> </div> |             |                |  |              |               |
| <b>Reference information</b>  |   |             |                |  |              |               |
|   | Facility Name/Location:   | Plant Type: | Capacity (MW): | Fuel Type:   | Owned By:    | Developed By: |
|   |   |             |                |  |              |               |
|   |   |             |                |  |              |               |
|   |   |             |                |  |              |               |
|   |   |             |                |  |              |               |
|   |   |             |                |  |              |               |
|   |   |             |                |  |              |               |
| (add rows as required)  |   |             |                |  |              |               |

| Submission Information  |                   |                   |
|---|-------------------|-------------------|
|   | <b>Applicant:</b> | <b>Signature:</b> |
|   |                   | <b>Date:</b>      |
| <p>The customer provides this statement to NB Power knowing that NB Power will rely on this information. All statements are true or believed to be true and are not intentionally misleading.</p> |                   |                   |