
JANUARY 17, 2024

Part II: Energy Webinar for Communities #2

Discussion with Municipalities

Thank you for joining today's session

Please keep your cameras off and microphones muted until the Q&A portion

Agenda

1. Recap the role of municipalities in meeting Ontario's electricity needs
2. Recap the Transmitter Selection Framework Process content
 - Address any questions and understand feedback
3. Recap the Long-Term 2 RFP (LT2 RFP) content
 - Address any questions and understand feedback
4. Next steps

Context



This is a pivotal point for the electricity system. Ontario is entering a period of growing needs – by 2050, energy consumption could double.



This growth is driven by economic growth, population growth and increased electrification.



Indigenous communities and municipalities have an integral role in Ontario's energy transition.



Your continued engagement is critical to help acquire the supply needed through competitive frameworks to prepare the electricity system for the expected growth and the elimination of emissions from the grid.

Steps to Meet the Emerging Needs

To keep pace with Ontario's economic and population growth, elimination of emissions from the grid, and electrification, the IESO is supporting multiple initiatives to meet emerging system needs, including:



Launching a **new Long-Term 2 Request for Proposals (LT2 RFP) for non-emitting resources**, as part of the IESO's Resource Adequacy Framework; and



Developing a **competitive transmitter selection framework** to support new transmission development and provide new opportunities to communities and transmitters.



Transmitter Selection Framework (TSF)

Andrew Lee, Advisor, Resource Acquisition, Resource Development and Procurement

Transmitter Selection Framework (TSF)

To meet Ontario's growing needs, developing a competitive transmitter selection framework (TSF) to support new transmission development and provide new opportunities to communities and transmitters will be required.

Key details include:



The Minister of Energy asked the IESO to **develop a transparent, competitive and well-understood process for selecting transmitters**, and to report back in summer 2024.

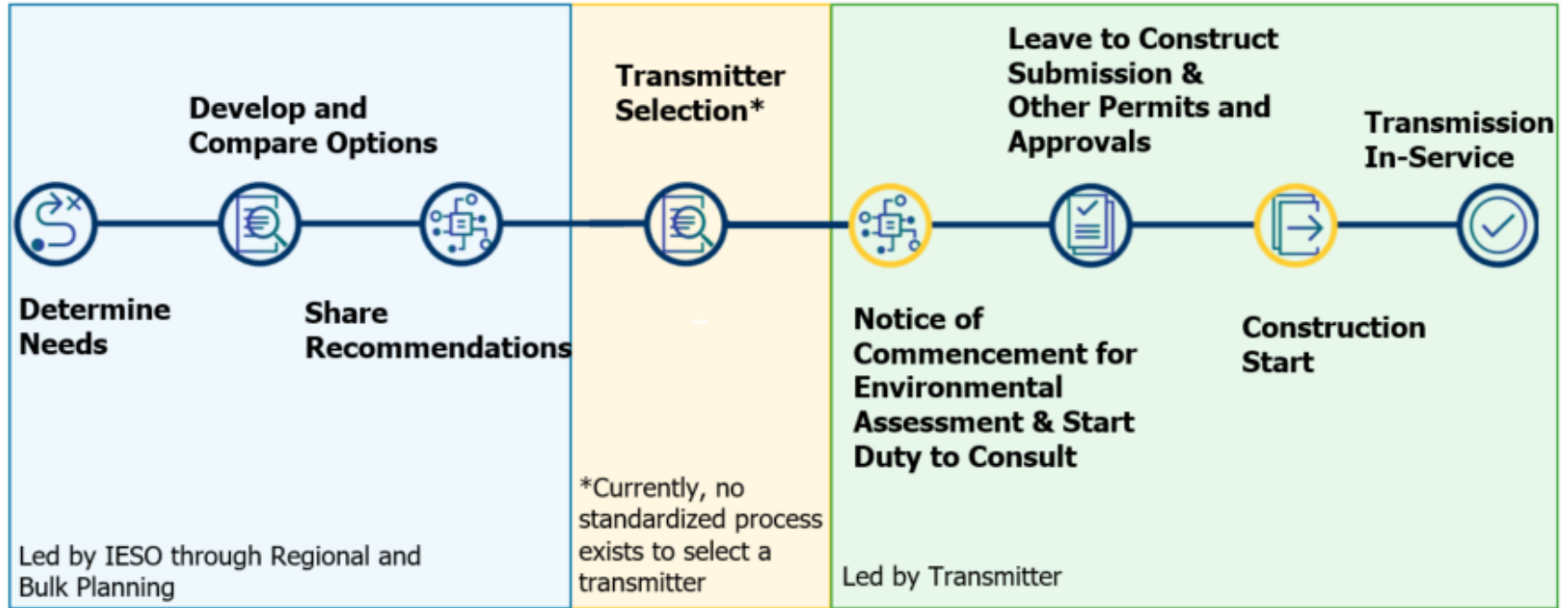


The competitive transmission framework **will aim to align with IESO planning processes**, provide new opportunities to Indigenous communities, ensure infrastructure development accommodates growth and support broader generation project siting.



Insights, input and recommendations from Indigenous communities, municipalities, and stakeholders is critical for the design of the framework and evolution of the current process for transmission development.

Current Process for Transmission Development



Seeking Input: Transmitter Selection Framework

Your feedback is important. The IESO is hoping to understand:

1. How do you want to be involved in developing the Transmitter Selection Framework?
2. Would you want to participate in upcoming targeted sessions? If so, please indicate topics of interest
3. What additional input or feedback do you think the IESO should consider as it embarks on this initiative?

Written feedback can be submitted to engagement@ieso.ca by February 7, 2024



Long-Term 2 Request for Proposals (LT2 RFP)

Dave Barreca, Supervisor, Resource Acquisition, Resource Development and Procurement

Long-Term 2 Request for Proposals (LT2 RFP)

To meet Ontario's growing energy needs, a series of medium- and long-term procurements will be required. Key details include:



Acquiring resources with non-emitting energy-producing profiles, such as wind, solar, hydroelectric, storage and bioenergy for new-build resources and existing facilities.



LT2 RFP is built on the E-LT1 and LT1 RFPs, including applying lessons learned. IESO will aim to provide additional visibility for future procurement opportunities, allowing for additional early engagement and project development.



Several policy drivers may influence project siting, including requirements for obtaining municipal support, enabling northern Ontario projects, enabling development on Crown Land and agricultural land-use limitations.



Timing will be key, LT2 RFP contracts will need to be in-service by 2030. Other mechanisms, such as MT2 RFP will offer flexible five-year terms and further medium- and long-term procurements will be executed on two-year cycles.

Seeking Input: LT2 RFP

Your feedback is important. The IESO is hoping to understand:

1. How do you want to be involved as part of the IESO's engagement on the procurement design?
2. How can the IESO streamline relevant processes (i.e., community engagement, municipal support) to the benefit of Proponents and municipalities?
3. Based on your experience in past IESO procurements, what feedback can you provide with respect to Municipal Support Resolutions, including around the removal of municipal rated criteria points?
4. What are some key considerations around the treatment of proposed projects in prime agricultural areas?
5. How can the IESO better support municipalities to make decisions about proposed projects?

Written feedback can be submitted to engagement@ieso.ca by February 7, 2024.



What's Next

Get Involved



The **IESO invites written feedback by February 7, 2024 for the LT2 RFP and the TSF**. All written feedback should be submitted to engagement@ieso.ca.



For the LT2 RFP, the IESO will aim to continue engaging prior to submitting its report back to government in March 2024.



To develop a competitive TSF, the IESO will undertake Focused Engagement Sessions and public engagements (as required), and is open to 1:1 meetings, prior to submitting its report back to government in summer 2024.



To stay informed, please subscribe to receive email communications at www.ieso.ca/subscribe.

Thank You

STAY INVOLVED

- ✓ Learn more at www.ieso.ca/learn
- ✓ Subscribe to updates at IESO.ca/subscribe
- ✓ Download the IESO's Municipal Toolkit
- ✓ Join an engagement

CONTACT

- ✓ IndigenousRelations@ieso.ca
- ✓ CommunityEngagement@ieso.ca

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APPENDIX

What To Expect



Launching a new Long-Term 2 Request for Proposals (LT2 RFP) for non-emitting resources



Developing a competitive transmitter selection framework

Anticipated Involvement

- Provide input into the draft documents and RFP design
- Respond to inquiries from potential proponents
- Approve new generation or storage projects
- Participate in the procurement

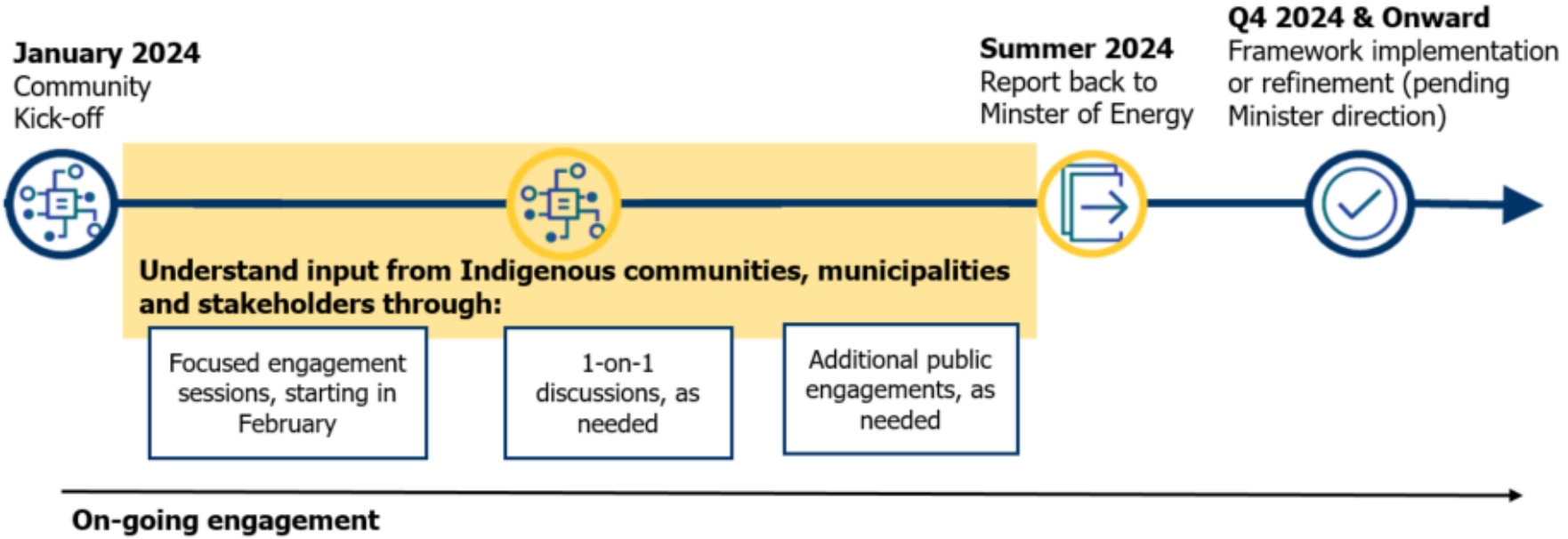
- Provide input and feedback into the development of an enduring framework to guide new transmission development

Timing

- Report back to the Ministry of Energy March 2024
- Proposal submissions expected mid-2025

- Report back to the Ministry of Energy in summer 2024
- Next steps are dependent on Ministerial direction

Transmitter Selection Framework Timeline



LT2 RFP Overview (1/2)

To meet Ontario's growing energy needs, a series of long and medium-term procurements will be required, in order to recommit existing resources and incentivize the development of new resources. The first of these new procurements is the LT2 RFP that will:



Acquire resources with non-emitting energy-producing profiles, such as wind, solar, hydroelectric, and bioenergy for:

- New-build resources, including utility scale generation, distributed energy resources, and long lead time resources (such as waterpower), and
- Existing non-emitting resources seeking to re-power in order to continue to contribute to Ontario's needs, including long lead time resources (such as waterpower).



Build on the E-LT1 and LT1 RFPs, including applying lessons learned. IESO will aim to provide additional visibility for future procurement opportunities, allowing for additional early engagement and project development.

LT2 RFP Overview (2/2)

Key details (cont'd):



Several policy drivers may influence project siting, including requirements for obtaining municipal support, enabling additional project development in northern Ontario, enabling development on Crown Land and potential agricultural land-use limitations, including limits to project development on CLI Class 1-3 Agricultural lands.



Timing will be key, specifically:

- LT2 contracts will need to be in-service by 2030
- The LT2 RFP will offer long-term contracts (i.e. 20 years)
- Other mechanisms, such as MT2 RFP will offer flexible five-year terms and further long and medium term procurements will be executed on 2-year cycles

LT2 RFP Timeline

January 2024
Community
Kick-off



March 2024
Report back to
government



Mid 2025
Proponent Proposal
Submission Deadline



2030
Resource In-
Service



On-going engagement