



Association of
Municipalities
of Ontario

Long Lead-Time Procurement Request for Proposals (LLT RFP)

AMO'S SUBMISSION TO THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR

Engagement Webinar Regarding the Draft LLT RFP

December 11, 2025

Executive Summary

The Association of Municipalities of Ontario (“AMO”) appreciates the opportunity to comment on the preliminary design for the Long Lead-Time request for proposals (“LLT RFP”). Municipalities continue to be important partners in energy planning, and understand the importance of a clean, reliable, affordable energy supply that supports local communities and economic growth. We are pleased that the Independent Electricity System Operator (“IESO”) continues to prioritize strong, collaborative relationships with the municipal sector for ongoing and planned procurements.

We understand that the LLT RFP is intended to include a single intake during 2026 and will provide successful projects with a 40-year contract term. We also understand that this procurement is focused on new-build, hydroelectric generation facilities that will take five or more years to develop. AMO appreciates that the IESO is proposing to use similar requirements to those required under the Long-Term 2 RFP (“LT2”) for siting, and for municipal engagement and support confirmations.

AMO supports this approach which will bring the benefit of maintaining a single decision-making framework for municipal decision-makers. This will help ensure that municipalities with limited capacity and expertise with energy projects are best positioned to be able to review and make decisions about proposed projects. There are, however, some considerations regarding the proposed design’s scope and timelines that diverge from the previous LT2 procurements. AMO’s comments in the rest of the submission focus on these differences.

Source Water Protection

Investment in new hydroelectric projects may impact source water protection. Ontario’s source water protection regulations assign municipalities with a responsibility for ensuring the protection of drinking water sources, and municipalities work with their communities to ensure these sources are protected.

To ensure new hydroelectric projects avoid undue risk to source water, AMO recommends the IESO engage with the province to align the timing of different steps in the LLT RFP with legislative and regulatory source water approvals, and coach developers to be ready to speak to this priority as part of their municipal engagement.

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While these considerations are likely to be part of downstream approvals such as land-use or site planning approvals after a contract is issued under the LLT RFP, it is also likely that these concerns will be raised during municipal support consideration. Lastly, we recommend the IESO or province issue guidance to municipalities on this subject to clearly communicate whether source water protection decisions should be addressed as part of the municipal support confirmation, or in later approvals.

Indigenous Engagement

We know that similar to municipalities, Indigenous communities are concerned about source water and environmental impacts when waterbodies are impacted by development. We are pleased to see that the proposed LLT RFP design continues to underline the importance of Indigenous engagement, participation, and consent for projects.

Municipalities are working hard to build meaningful, collaborative relationships with Indigenous communities. These relationships help maintain building healthy, prosperous communities and advancing reconciliation. We continue to encourage the IESO and project proponents to inform municipalities about the status and outcomes of engagement with Indigenous communities so municipal decision makers are informed when making decisions about proposed projects, particularly when they are not supported by local Indigenous communities.

Municipal Elections

Finally, with the anticipated timeline for the LLT RFP overlapping with the 2026 municipal election it will be important for the final design to take key election dates and the potential impact of elections on local decision making into consideration. Importantly, during a municipal election year councils may be subject to a “restricted acts” period once it is determined that a significant portion (75%) of its membership is not returning for the next turn. During this time, councils may not be able to pass certain by-laws, enter into contracts, or make certain expenditures without the approval of a new council. There are two key dates where the restricted acts period may come into effect:

- Nomination Day (August 21, 2026) if less than three quarters of the current

members of council are running for re-election or acclaimed.

- Voting Day (October 26) if less than three quarters of the current members of council are re-elected or acclaimed.

In order to reduce the risk of councils being unable to issue municipal support confirmations for the LLT RPF, we recommend setting a deadline for confirmations before these key dates. Further, during an election year, community members frequently place increased scrutiny on councils making major projects and significant policy decisions which may influence the outcome of the election. This increased attention reinforces AMO's standing advice that project proponents should engage municipalities as early as possible to understand community concerns and interests and be prepared to articulate how the proposed project addresses them.

We recognize that the IESO has been taking steps to engage with municipalities on an ongoing basis to help build an understanding of the role of municipalities in the energy sector. With a likelihood of new members being elected to municipal councils during the upcoming election, the IESO may wish to build on this work and consider planning for post-election outreach and training to incoming councils.

Conclusion

AMO is pleased to see that the important role of municipalities in supporting the energy grid is being recognized, and that our previous feedback to the IESO and Ministry of Energy and Electrification arising from municipal experiences with previous procurements are included in the LLT RFP.

We will continue to engage with our members on energy procurements and planning to provide recommendations on the design of the LLT RFP and other procurements. We encourage the IESO to give strong consideration to any feedback submitted by municipalities; particularly those who have experiences with previous procurements. This will help ensure that the sector's experience, insights and concerns are accounted for in procurement design.

We look forward to continuing to support the IESO's approach of ongoing, cadenced procurements, and ensuring that municipalities are active, empowered and engaged participants in energy planning.