



July 17, 2025

# LT2 RFP Webinar for Indigenous Communities and Municipalities

## Indigenous Discussion

Thank you for joining this session.  
Please keep your cameras off and microphones muted.

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# Agenda

1. Important Role of Indigenous Communities in the LT2 RFP
2. Long-Term 2 Request for Proposals (LT2 RFP) Overview
3. Indigenous Energy Support Program Overview
4. Discussion – the Ontario Ministry of Energy and Mines is available for questions
5. Next Steps

# The Important Role of Indigenous Communities

- First Nation and Métis communities are key partners in helping to meet Ontario's future energy needs under LT2.
- The IESO released an electricity demand forecast in the fall of 2024 which shows the province will need 75 percent more electricity by 2050.
- To encourage Indigenous leadership and participation in the energy sector, as well as to advance economic reconciliation, the LT2 procurement will include rated criteria points that incentivize proponents to enter into economic partnerships with Indigenous communities.

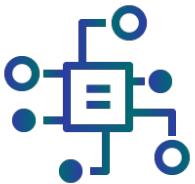


# Long-Term 2 Request for Proposals (LT2 RFP) Overview

# Context for the LT2 RFP



Ontario is entering a period of growing needs - by 2050 **electricity demand is expected to grow by 75%**. These needs are being driven by population growth, continued electrification, as well as recent developments in industrial and data centre growth.



This demand in growth is happening in the midst of expiring generator contracts, nuclear refurbishments and the reduction of emissions from the grid.



To meet the emerging needs, **Ontario will require new electricity infrastructure**, including new supply and transmission. Needs emerging in 2029/2030 will be addressed through Window 1 of the LT2 RFP.

# Overview of the LT2 RFP

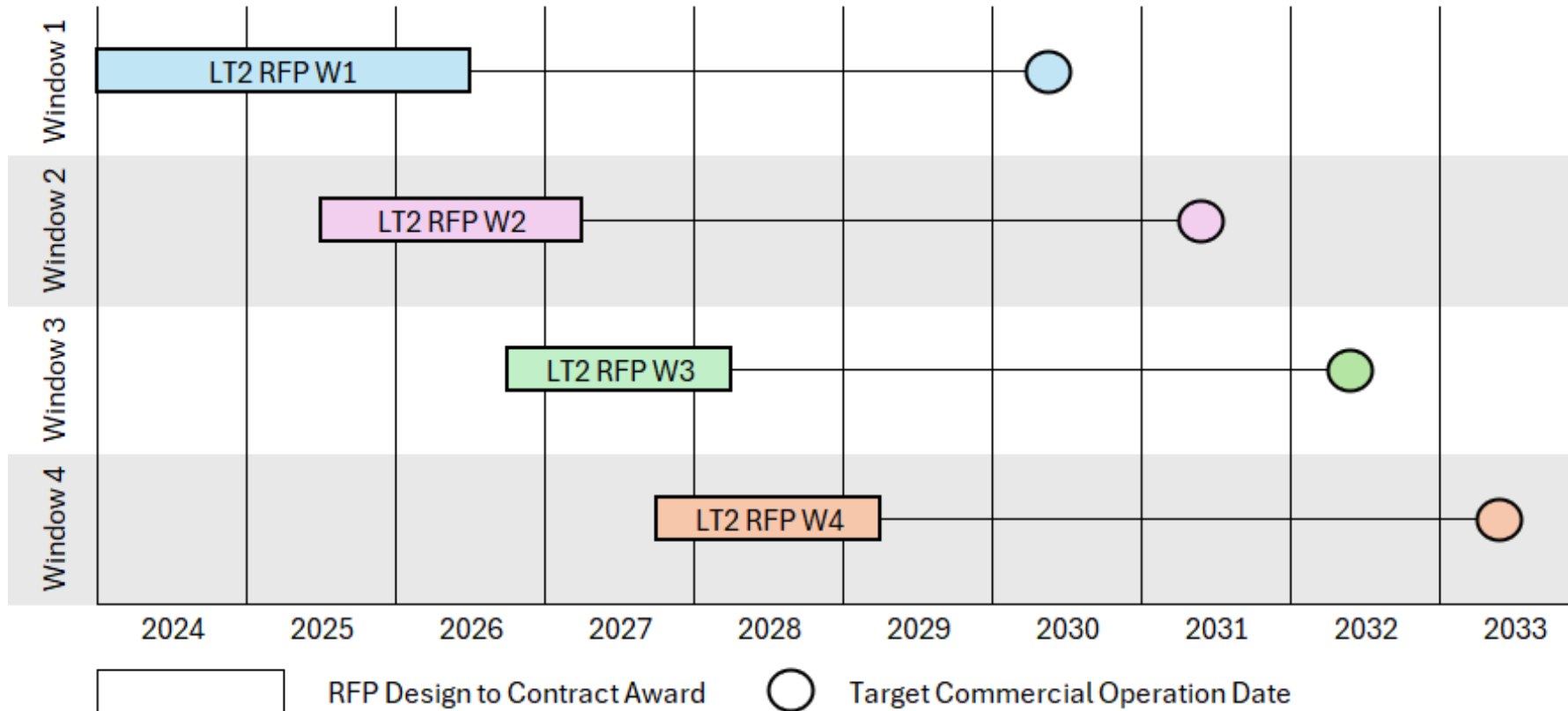
The LT2 RFP has two streams, an **energy stream** and a **capacity stream**, and is structured into a series of standalone procurements referred to as “windows”.

The LT2 RFP:

- Encourages early Indigenous Community engagement via the Pre-Engagement Confirmation Notice,
- Requires an Indigenous Support Confirmation where the project is located in whole or in part on Indigenous Lands\*, and
- Incentivizes Indigenous Community participation, including partnerships between Proponents and Indigenous Communities.

\*Term defined in the LT2(e-1) RFP and LT2(c-1) RFP

# LT2 RFP Windows and Commercial Operation Timeframes\*



Window 1 has a proposal submission deadline of Q4 2025, with contracts awarded in Q2 of 2026 and expected commercial operation in 2029/2030.

Subsequent submission windows are expected to follow this pattern, but could be subject to change.

\*Number of windows and timing subject to change.



# LT2 RFP Window 1 - Resource Eligibility

In order for a resource to be eligible to participate it must be a New Build resource that is capable of achieving Commercial Operation by May 1<sup>st</sup>, 2030, or earlier, 1MW or greater, and which can be registered as a registered facility under the Market Rules.

- **Energy Stream:** resources that are able to generate energy at non-specific times. Examples include: bioenergy facilities, solar facilities, wind facilities, and combined heat and power facilities.
- **Capacity Stream:** dispatchable resources that are able to inject during peak system conditions. Examples include: hydrogen storage facilities, electricity storage facilities, gas facilities\*, and bioenergy facilities.

\*Natural gas resources greater than 45MW are only eligible to participate in the capacity stream

# Mandatory Requirements for LT2 RFP

Mandatory Requirements provide assurance that proposals evaluated by the IESO are from Proponents who are best positioned to deliver on their contractual obligations. Mandatory requirements include, but are not limited to:

- **Proposal Security** to ensure projects proceed as well as demonstrate financial wherewithal.
- **Minimum experience** requirements for project team members.
- **Proposal submission limits** to encourage supplier diversity.
- **Confirmation of access rights** to properties within a project site.
- **Confirmation that supportive resolutions have been obtained** from local communities to empower Indigenous communities and municipalities, encouraging Proponents to work with willing hosts.

## LT2 RFP Window 1 - Mandatory Requirements

When the Project Site is proposed to be located in whole or in part on Indigenous Lands\*, the Proposal must include an **Indigenous Support Confirmation**.

- An Indigenous Support Confirmation confirms the Proponent has undertaken engagement activities for its Proposal to the satisfaction of the Indigenous Community, including confirmation that the **Pre-Engagement Confirmation Notice** was sent, and that the Indigenous Community supports the submission of the Proposal to the IESO.
- The Pre-Engagement Confirmation Notice serve the purpose of beginning the collaborative work to establish an agreed upon engagement plan.
- An Indigenous Support Confirmation does not supersede any applicable permits or approvals under applicable Laws and Regulations.

\*Term defined in the LT2(e-1) RFP and LT2(c-1) RFP

# Rated Criteria Points (1)

## Key Details

Rated Criteria will be used to calculate a Proposal's Evaluated Proposal Price.

Proponents will be eligible to earn up to 12 points in the energy stream and up to 15 points in the capacity stream.

Rated Criteria points worth a 2% reduction in a Proposals Evaluated Proposal Price are available to Canadian-Status Proponents. This reduction is additive and does not dilute existing criteria (e.g. Indigenous Participation).

Creating opportunities for Indigenous leadership and participation in the procurement of new electricity infrastructure is an important way to support economic development opportunities for Indigenous communities and to take steps towards reconciliation.

Rated Criteria Category*	Points Available
Indigenous Community Participation	3
Local Indigenous Participation	3
Project is sited outside of Prime Agricultural Areas	3
Project is sited in a territorial district of Northern Ontario*	3
Duration (Capacity Stream Only)	3
<b>Total Rated Criteria Points Available</b>	<b>12 or 15</b>

\* Districts of Kenora, Rainy River, Thunder Bay, Cochrane, Algoma, Sudbury, Timiskaming, Nipissing, Manitoulin and Parry Sound

## Rated Criteria Points (2)

Up to three rated criteria points will be awarded to Proposals based on their **Indigenous Participation Level**, where the Indigenous Participation Level is the percentage of the total Economic Interest in the Supplier that is held by one or more Indigenous Communities, or Indigenous Holding Vehicles that each hold at least 10% of the Suppliers total Economic Interest, as of the Contract Date.

Indigenous Participation Level	Points Available
Proponent Indigenous Participation Level is equal to or more than 50%	3
Proponent Indigenous Participation Level is equal to or more than 25% but less than 50%	2
Proponent Indigenous Participation Level is equal to or more than 10% but less than 25%	1
Proponent Indigenous Participation Level is less than 10%	0

## Rated Criteria Points (3)

Up to three additional rated criteria points will be awarded for **Local Indigenous Community Participation** if the Project Site is located in whole or in part on Indigenous Lands or lands within the treaty area, or the established or asserted traditional territory or homeland of an Indigenous Community that holds an Economic Interest. The number of points awarded will be dependent on the Indigenous Participation Level.

Local Indigenous Community Participation	Points Available
Proponent Indigenous Participation Level is equal to or more than 50%	3
Proponent Indigenous Participation Level is equal to or more than 25% but less than 50%	2
Proponent Indigenous Participation Level is equal to or more than 10% but less than 25%	1
Proponent Indigenous Participation Level is less than 10%	0

# Key Contract Term – Indigenous Participation Level

- Until the fifth anniversary of the Commercial Operation Date (COD), selected Proponents that were awarded rated criteria points for Indigenous participation must maintain the **Initial Indigenous Participation Level (IPL)**.
  - If there is a reduction in the Initial IPL, the selected Proponent must notify the IESO within 20 business days, and if the Indigenous Participation Level is not restored to at least the Initial IPL within six months, such failure shall constitute a Supplier Event of Default.
  - However, as of the contract date, should an individual Indigenous Community holding at least 10% of the economic interest in the supplier, provide the IESO written notice requesting a reduction in the Initial IPL prior to the fifth anniversary of the COD, such reduction shall constitute the Initial IPL if the reduction is no less than the Minimum Reduced IPL.

# Deliverability

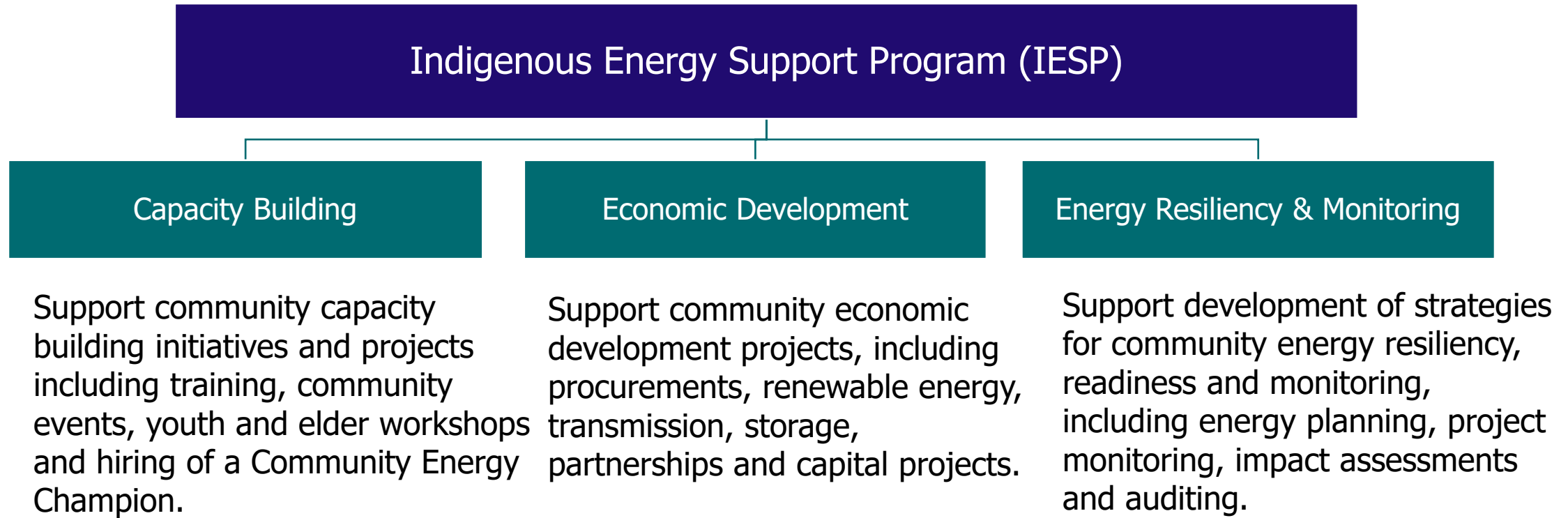
- Project proposals will be ranked based on their Evaluated Proposal Price, then tested for deliverability to ensure the electricity they produce can effectively contribute to meeting the reliability needs intended to be addressed by LT2 before awarding contracts.
- To maximize the chances that project proposals will be deliverable, the IESO has provided connection guidance to Proponents ahead of time.
- [Energy project connection guidance](#) and [capacity project connection guidance](#) documents include tables and maps that Proponents can use to find locations across the province where projects have a higher chance of being deliverable.





# Indigenous Energy Support Program (IESP)

# IESP Areas of Funding



# Resources

- [Directive](#) issued by the Ministry of Energy and Electrification directing the IESO to launch the Long-Term 2 procurement
- Long-Term 2 [Procurement Documents](#) (RFP, Contract, Prescribed Forms)
- Long-Term 2 [Community Engagement](#) (recorded community engagement sessions and presentations)
- [Indigenous Energy Support Program](#) (program which offers capacity funding to support Indigenous communities to lead and participate in energy infrastructure projects)



## Next Steps and Discussion

# Next Steps

- Reminder: The **first LT2 RFP proposal submission window is open as of June 27, 2025.**
  - Proposal Submission deadline for the **energy stream is October 16, 2025**, and for the **capacity stream is December 18, 2025.**
- Questions about the LT2 RFP can be directed to [indigenousrelations@ieso.ca](mailto:indigenousrelations@ieso.ca)
- To stay informed, please subscribe to receive email communications at [www.ieso.ca/subscribe](http://www.ieso.ca/subscribe)

# Thank You

## STAY INVOLVED

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- ✓ Download the IESO's Municipal Toolkit
- ✓ Join an engagement

## CONTACT

- ✓ [IndigenousRelations@ieso.ca](mailto:IndigenousRelations@ieso.ca)
- ✓ [CommunityEngagement@ieso.ca](mailto:CommunityEngagement@ieso.ca)

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