



SEPTEMBER 25, 2025

LT2 RFP Question and Answer Session for Indigenous Communities

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Territory Acknowledgement

The IESO acknowledges the land from where we are delivering today's webinar is the traditional territory of many nations including the Mississaugas of the Credit, the Anishnabeg, the Haudenosaunee and the Wendat peoples, and is now home to many diverse First Nations, Inuit and Métis peoples. We also acknowledge that Toronto is covered by Treaty 13 with the Mississaugas of the Credit First Nation.

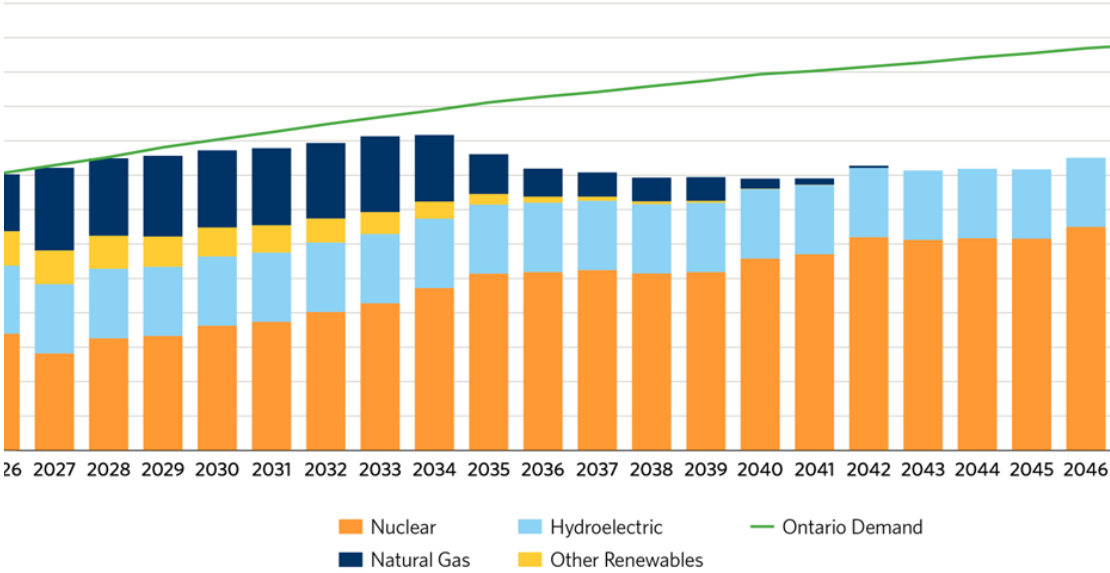
As we have attendees from across Ontario, the IESO would also like to acknowledge all the traditional territories across the province, which include those of the Algonquin, Anishnabeg, Ojibwe, Cree, Oji-Cree, Huron-Wendat, Haudenosaunee, Métis, and Inuit peoples.

Agenda

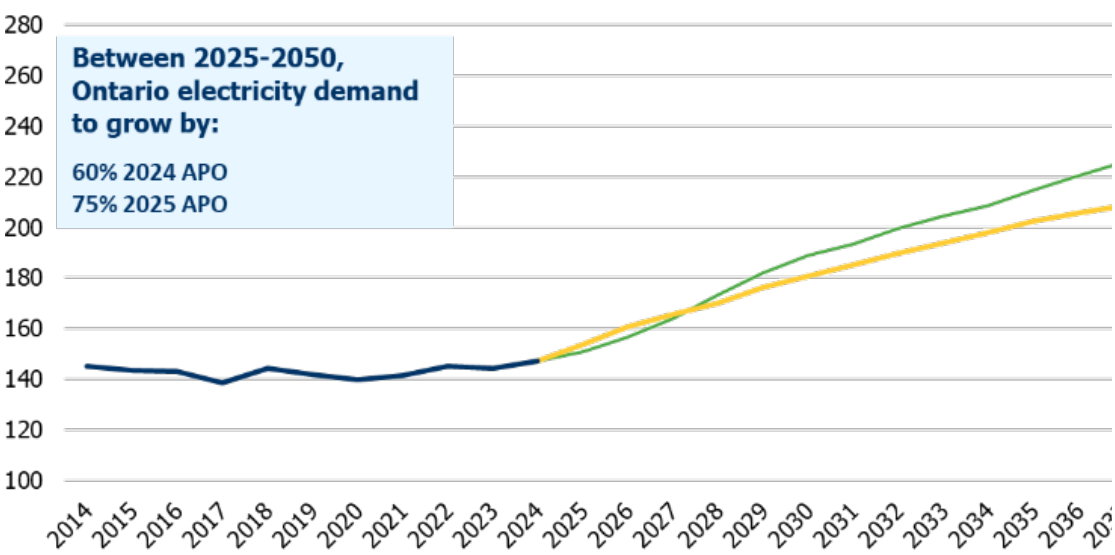
1. Ontario's Electricity Landscape & Overview of the Long-Term 2 Request for Proposal
2. What to Expect
3. Discussion
4. Appendix - Summary of Key Questions and Answers



Ontario's Changing Electricity Landscape



Energy Adequacy Outlook



Historical and Forecast Demand

Overview of the LT2 RFPs

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” that aim to procure up to 14 TWh of energy producing resources and up to 1600 MW of capacity resources. The targets for Window 1 of the energy stream is 3 TWh and Window 1 of the capacity stream is up to 600 MW.

Final documents for the LT2 RFPs Window 1 were posted to [Long-Term 2 RFP](#) on June 27, 2025. Proposal Submission Deadline for **Window 1 energy stream is October 16, 2025**, and **Window 1 capacity stream is December 18, 2025**.

The LT2 RFPs:

- 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

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 includes rated criteria points that incentivize proponents to enter into economic partnerships with Indigenous communities.

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 1st, 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

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
Total Rated Criteria Points Available	12 or 15

* 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.

Resources

- [Directive](#) issued by the Ministry of Energy and Electrification directing the IESO to launch the Long-Term 2 procurement
- [Evidence of Indigenous Support \(Energy\)](#) and [Evidence of Indigenous Support \(Capacity\)](#)
- [Evidence of Indigenous Community Participation \(Energy\)](#) and [Evidence of Indigenous Community Participation \(Capacity\)](#)
- [Indigenous Energy Support Program](#) (program which offers capacity funding to support Indigenous communities to lead and participate in energy infrastructure projects)

Indigenous Energy Support Program (IESP)

Funding for **Community-Led** Energy Capacity-Building Projects

Learn more at ieso.ca/IESP or contact the IESO's Indigenous Engagement team at iesp@ieso.ca

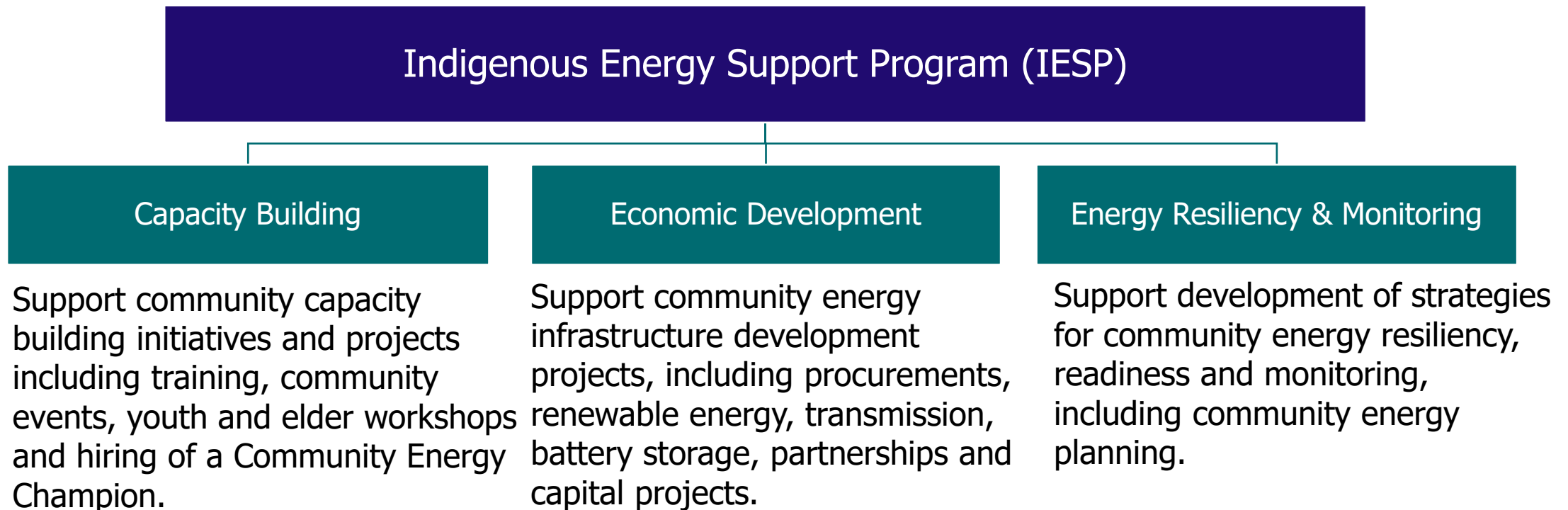
IESP Overview

The Indigenous Energy Support Program (IESP) promotes broad equitable participation in Ontario's energy sector by supporting community capacity building. Funding is available to eligible Indigenous communities and organizations across Ontario for:

- Community energy planning
- Energy skills-building, education and awareness
- Energy infrastructure development

IESP Areas of Funding

The IESP provides support through three Areas of Funding (AOF).



IESP Maximum Funding Amounts

Area of Funding	Capacity Building	Economic Development	Energy Resiliency & Monitoring
Maximum Funding Amount	<u>Part A</u>: Up to \$195,000	Up to \$250,000	Up to \$135,000
	<u>Part B</u>: Up to \$150,000		

IESP Project Types

Capacity Building (Part A)	Capacity Building (Part B)	Economic Development	Energy Resiliency & Monitoring
Up to \$195,000	Up to \$150,000	Up to \$250,000	Up to \$135,000
CEC Salary Up to \$165,000 for 3 years	Community Energy Engagement Up to \$75,000	Feasibility Study Up to \$50,000	New Community Energy Plan Up to \$135,000
Additional Qualification Top Up (if applicable) Up to \$15,000 for 3 years	Energy Skills Building Up to \$75,000	Partnerships Up to \$85,000	Update Community Energy Plan Up to \$75,000
CEC Expenses Up to \$15,000 for 3 years	Innovative Knowledge & Data Sharing Up to \$60,000	Project Development Up to \$250,000	
		Innovation Up to \$250,000	



Next Steps and Discussion

Next Steps

- 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.
- LT2 RFP Window 2 design will begin Q3 2025 with future community engagement TBD.
- To stay informed, 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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