



SEPTEMBER 25, 2025

LT2 RFP Question and Answer Session for Municipalities

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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.

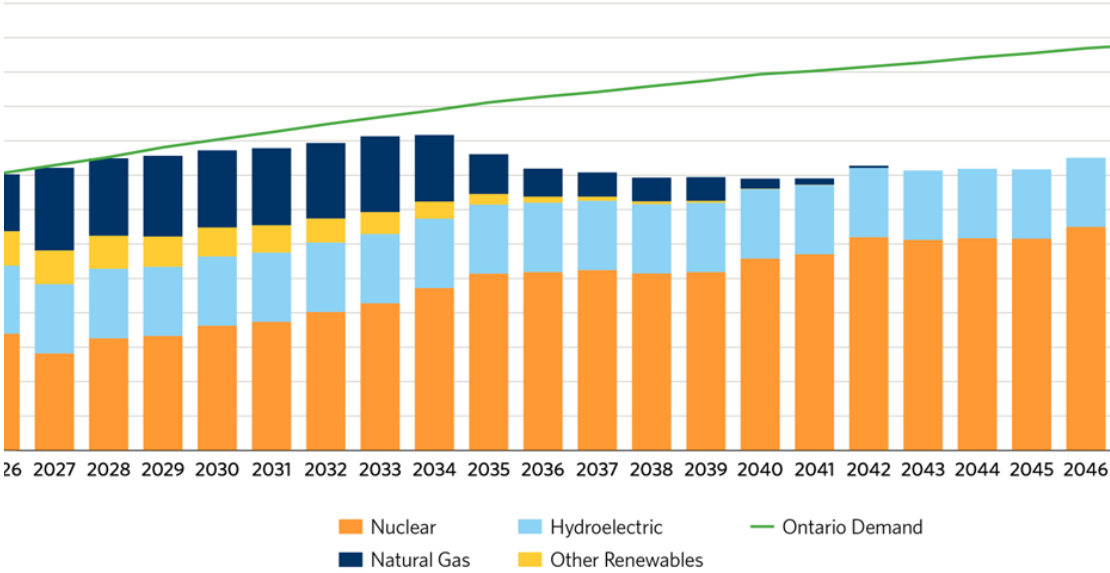
As we have attendees from across Ontario, the IESO would also like to acknowledge all the traditional territories across the province, which include those of the Algonquin, Anishnabeg, Ojibwe, Cree, Oji-Cree, Huron-Wendat, Haudenosaunee, Métis, and Inuit peoples.

Agenda

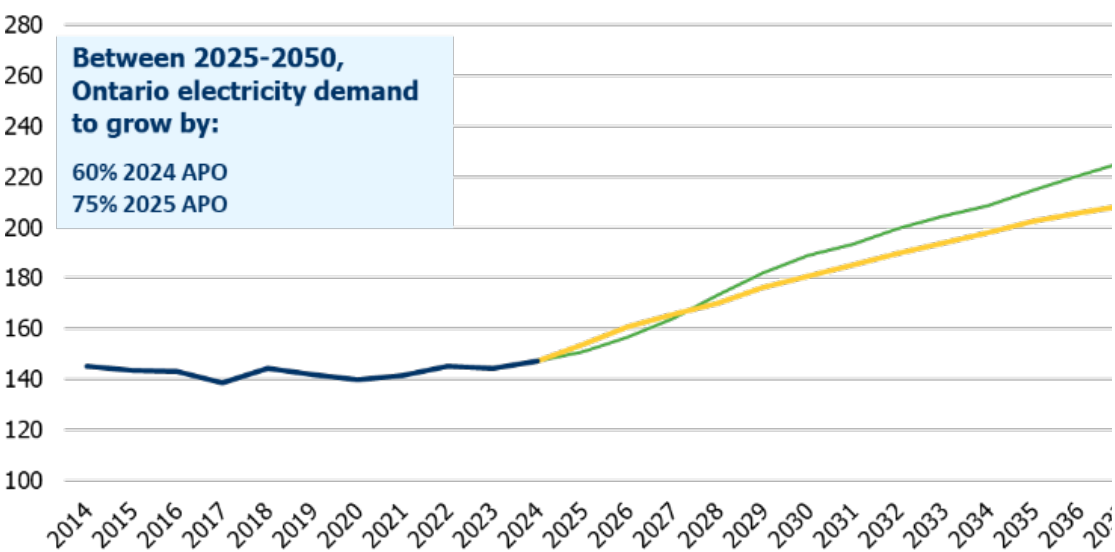
1. Ontario's Electricity Landscape & Overview of the Long-Term 2 Request for Proposal
2. Municipal Role and What to Expect
3. Discussion
4. Appendix - Summary of Key Municipal Questions and Answers



Ontario's Changing Electricity Landscape



Energy Adequacy Outlook



Historical and Forecasted Demand

Overview of the LT2 RFPs

- In [November 2024](#), the Ontario government issued a Directive, amended in [June 2025](#), instructing the IESO to launch the Long-Term 2 Request For Proposals (LT2 RFPs). The LT2 RFP will have two streams, an energy stream and a capacity stream.
- Designed as a series of stand-alone procurements (Windows) that aims 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 for 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**.
- Design elements include the following policies, based on government direction:



**Municipal
Support
Resolutions**

ahead of proposal
submission



**All resource types
are eligible to
participate**



Building on
**Indigenous
Participation**
success



Project **siting in
Northern Ontario**
incented



Protections for
**Prime Agricultural
Areas**



**Canadian-Status
Proponents**
incented



Enabling Projects
on **Crown Land**

The Important Role of Municipalities

- Ontario needs an electricity system for lasting prosperity — a system that delivers for the province and powers our growth. More electricity infrastructure must be built across communities in the province in a timely manner.
- Municipalities are key partners in Ontario's energy transition and local decisions play a critical role in shaping the province's electricity system. Municipalities determine whether they are willing hosts for new supply resources and are therefore essential to securing the energy resources needed to meet Ontario's growing electricity needs.
- Your input and feedback has informed the design of the LT2 procurement documents and resources:
 - ✓ Streamlined the municipal support confirmation process, empowering municipal decision-making.
 - ✓ Collaborated with partners to develop asked-for resources such as [the LT2 Municipal Guide](#), the sample Pre-Engagement Confirmation Notice [see the LT2 Municipal Guide for samples as part of the Evidence of Municipal Support document], the [Agricultural Impact Assessment Q&A](#) document, and the [OMAFA Guidelines for the AIA Component One Requirement](#) and [draft AIA Components Two and Three Guidelines](#) (please note that OMAFA will accept feedback for Two and Three via omafra-guidelines@ontario.ca until September 30, 2025).
 - ✓ Continued to engage with municipalities through conferences, webinars and one-on-one engagement.
- The IESO is committed to continuing our engagement with municipalities as work progresses, and we welcome your feedback and involvement in these important matters.

Resources

The following provides some **IESO resources** related to the LT2 RFP that can assist municipalities with the process. Links to more resources can be found in the LT2 Municipal Guide:

- [LT2 Municipal Guide](#) – contains information to help municipalities with the process
- [LT2 RFP Webpage](#) – this includes RFP, Contract and prescribed forms and links to stakeholder and community engagement webpages
- Government Directive and amendment: [November 2024](#) (Directive to launch the LT2 RFP) and [June 2025](#) (amendment to the Directive)
- [LT2 AIA QA V3](#)
- [June 6, 2024, joint letter from Ministry of Energy and Ministry of Agriculture, Food and Rural Affairs](#) outlining the considerations to protect Prime Agricultural Lands and Speciality Crop Areas as part of the IESO's LT2 RFP

Partner Resources:

- [OMAFA Guidelines for the LT2 AIA Component One Requirement](#) and [draft AIA Components Two and Three Guidelines](#) (please note that OMAFA will accept feedback for Two and Three via omafra-guidelines@ontario.ca until September 30, 2025).
- [Technical Standards & Safety Authority](#) in Ontario focuses on public safety within the energy sector by ensuring the safety of energy-related infrastructure and operations
- [Electrical Safety Authority](#) regulates and promotes electrical safety in Ontario

What to Expect

Municipalities and Proponents will need to work closely before the LT2 RFP proposal is submitted to the IESO to ensure that it is complete and can be considered by the IESO. More details are in the [LT2 RFP Municipal Guide](#).

Pre-Engagement Confirmation Notice	Must be provided by the Proponent to the Local Municipality at least 60 days prior to Proposal Submission Deadline .	Initiates formal engagement between the municipality and the proponent. Begins the process of developing a collaborative engagement plan to suit the needs of the community .
Confirmation of Land-Use Designation	Municipality is responsible for confirming the land-use designation of the proposed project site.	Projects proposing to locate on agricultural lands will be subject to additional requirements. <i>See slide 8 for more details.</i>
Municipal Support Confirmation (MSC)	Mandatory requirement of the LT2 RFP. Municipalities decide whether to issue the MSC. Can be in the form of a Municipal Resolution in Support of Proposal Submission OR a Blanket Municipal Support Resolution provided together with a Blanket MS Confirmation Letter.	The MSC confirms that the municipality supports the submission of the proposal to the IESO. It does not impact or change any approvals, permits or requirements the project may be subject to (e.g. environmental permits). It is not a guarantee of an IESO contract award.
Contract Award and Beyond	Both the Selected Proponent and the municipality work together during project development and commercial operation.	Over the course of the project's development, municipalities engage directly with project developers to ensure compliance with all applicable laws, regulations and local requirements.

Need-to-Know: Projects Located on Agricultural Land

Land Use Confirmation

- Developers must request confirmation from the municipality regarding the land use designation of proposed project sites; Prime Agricultural Areas are defined by the Provincial Planning Statement (2024) and designated through the Local Municipality's Official Plan.

Prohibited Projects

- **No new** electricity projects are permitted in **Specialty Crop Areas**; **ground-mounted solar projects** are **prohibited** in **Prime Agricultural Areas**.

Permitted Projects (with conditions)

- Other eligible projects proposing to locate in a Prime Agricultural Area (e.g., wind, bioenergy, energy storage) may proceed **only if** an **Agricultural Impact Assessment (AIA)** is completed by the Proponent/Selected Proponent and reviewed to the satisfaction of the Local Municipality.

Agricultural Impact Assessment (AIA)

- **Component One (avoid)** must be completed **before proposal submission**; **Components Two and Three (minimize & mitigate)** must be completed **within 18 months of Contract award**.
- The **Local Municipality** is responsible for **reviewing and confirming** that AIA requirements are met.

Questions related to projects on Agricultural Land should be directed to OMAFA: ag.info.omafa@ontario.ca

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 CommunityEngagement@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.



Q&A

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

Disclaimer

This presentation and the information contained herein is provided for informational purposes only. The IESO has prepared this presentation based on information currently available to the IESO and reasonable assumptions associated therewith, including relating to electricity supply and demand. The information, statements and conclusions contained in this presentation are subject to risks, uncertainties and other factors that could cause actual results or circumstances to differ materially from the information, statements and assumptions contained herein. The IESO provides no guarantee, representation, or warranty, express or implied, with respect to any statement or information contained herein and disclaims any liability in connection therewith. In the event there is any conflict or inconsistency between this document and the IESO market rules, any IESO contract, any legislation or regulation, or any request for proposals or other procurement document, the terms in the market rules, or the subject contract, legislation, regulation, or procurement document, as applicable, govern.

Municipal Sector Summary: LT2 RFP FAQs & Comments

Prime Agricultural Areas (PAA)

- **Definition Alignment:** Prime Agricultural Areas are defined by the *Provincial Planning Statement (2024)* and designated through the **Local Municipality's Official Plan**.
- **AIA Requirement:** Projects in Prime Agricultural Areas (excluding ground-mounted solar, which is prohibited) must complete an **Agricultural Impact Assessment (AIA)** to the satisfaction of the Local Municipality.
- **Rated Criteria Points:** Proposals **not located** in Prime Agricultural Areas are eligible for **3 Rated Criteria Points**.

Municipal Support Confirmation (MSC)

- **Mandatory for Municipal Lands:** All proposals with projects in part or wholly on municipal lands must include a MSC as part of proposal submission.
- **Draft vs. Final Forms:** If a municipality used a **draft version** of the MSC form that omitted AIA Component One, and the proposed project is located in a PAA, a **supplementary resolution** is required confirming AIA Component One Requirement completion.
- **Upper-Tier vs. Lower-Tier:** MSC, Pre-Engagement Confirmation Notices and AIA requirements apply to **lower-tier and single-tier municipalities**. Upper-tier municipalities may be involved in confirming land use designations or during permitting.

Municipal Sector Summary: LT2 RFP FAQs & Comments

Community Engagement

- **Empowering Municipalities:** The IESO removed prescriptive engagement activity requirements. Municipalities **set their own standards** for community engagement to best suit the needs of their community.
- **Pre-Engagement Notice:** Must be delivered at least **60 days before proposal submission**. It initiates dialogue with the municipality.

Land Use and Zoning

- **Zoning Compliance:** Not required at proposal submission but must be addressed before construction. Zoning amendments may be needed post-award.
- **Land-Use Designation:** This is the designation in place on the proposed project site at time of Proposal submission.

Municipal Sector Summary: LT2 RFP FAQs & Comments

Unincorporated Territories

- **No MSC Required:** Projects **wholly located** in Unincorporated Territories do **not require** a Municipal Support Confirmation.
- **Land Use Planner Letter:** Required to confirm whether the Project Site is designated as Prime Agricultural Area.

Crown land within Municipal Boundaries

- **MSC Required:** Projects located in whole or in part on Crown land within Municipal boundaries requires a Municipal Support Confirmation; there is a process related to siting projects on Crown lands, and project developers should contact the Ministry of Natural Resources at MNRRenewableEnergySupport@Ontario.ca for more information.

Municipal Proposal Participation

- **Eligibility:** Municipalities or municipally owned entities can submit proposals if they meet financial and team member experience requirements.