Feedback Form

LT2-RFP Joint Session, February 22, 2024

Feedback Provided by:

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To promote transparency, feedback submitted will be posted on the LT RFP engagement webpage unless otherwise requested by the sender. If you wish to provide confidential feedback, please mark as "confidential".

Following the February 22, 2024, LT2-RFP joint engagement with Ministry of Municipal Affairs and Housing (MMAH) and Ontario Ministry of Agriculture, Food, and Rural Affairs (OMAFRA) webinar, the Independent Electricity System Operator (IESO) is seeking feedback on items discussed during the webinar. The webinar presentation and recording can be accessed from the LT RFP <u>engagement web page</u>.

Please submit feedback to engagement@ieso.ca by March 7, 2024.



Topic	Feedback

What are some considerations if certain technology types were limited, or restricted from being developed on Ontario's prime agricultural areas?

Any restriction on technology types or land use should be analyzed in regard of the purpose of this RFP, which is to procure clean and affordable energy for the next 20 years.

It seems counterproductive to restrict the development of renewable projects from prime agricultural areas as restricting the access to any type of land could drive developers to less optimal areas thus decreasing the projects' competitiveness. For example, while Southwest Ontario is a region where electricity demand is expected to grow and generation will be needed, a restriction on development on prime agricultural areas would make very difficult to site renewable energy projects in this area, potentially resulting in non-optimal and more expensive bids for the IESO. Moreover, in that case, the projects would be located further from the demand also reducing the grid efficiency and reliability as having generation far from the demand zones causes congestion in the long term, resulting in a less efficient and reliable grid and in more needs for investment in transmission infrastructure.

In fact, restricting the development of renewable projects to non-prime agricultural land drastically decreases the adequate land options. We estimate that considering the restriction on class 1, 2 and 3 lands would decrease the potential lands suitable for solar projects from 1,538,094.83 ha to 130,962.13 ha.

Thus, restricting the access to any type of land could drive developers to less optimal areas where environmental impacts could be more important, or where renewables are less supported. As a consequence, project competitiveness will decrease, resulting in higher bid prices. Also, studies such as the one published in 2023 by the Western University (The Agrivoltaic Potential of Canada, https://doi.org/10.3390/su15043228) show that only 1% of current agricultural lands would be required to supply Canada's electrical energy needs. Thus, it seems clear that the impact of this RFP on the prime agriculture land available in the Province will be negligeable and that there is not such intense land competition for food production or energy production. In other words, a restriction on prime land could alter projects' competitiveness, while development of projects on prime land would not impact significantly the agricultural potential of the province. Thus, we believe landowners and municipalities should have the right to decide what use they want to give to their lands.

Instead of restricting development on prime agricultural areas, an approach could be to incentivize cohabitation between generation projects and agricultural use, for example with rated criteria points for projects not using prime land or for projects allowing the continued use of prime land for agricultural purpose.

Topic Feedback

Given the limited amount of specialty crop areas in the province, how would diverting or restricting energy projects from these areas impact your ability to develop your energy project?

As expressed above, restricting the development of renewable energy projects from specific crop areas would also reduce the number of potential lands.

Yet, as the surface of all specialty crop in Ontario is limited (approx. 0.09% of Ontario's land base), the impact of such a restriction on project development would lower than a blanket restriction on all Class 1, 2 and 3 lands.

Topic Feedback

What would the impact be if there were requirements to avoid, minimize and mitigate agricultural impacts in prime agricultural areas?

The more constraints applied to development, the higher the LCOE (Levelized Cost Of Electricity). Yet, we recognize that agriculture is an essential activity for Ontario's present and future, and it seems adequate to set rules to make energy production and food production coexist. Thus, as it was developed in other regions around the world, an agrivoltaics regulation and framework could be a solution to allow the development of both activities. Also, such rules

could establish requirements to mitigate or compensate the agricultural impacts in prime agricultural areas.

Such a definition process and framework establishment was conducted in Alberta, considering a similar agrivoltaics approach could be a solution to mitigate agricultural impact and allow the development of competitive and low carbon energy generation assets.

Allowing the development of renewable energy projects on prime agricultural lands under a pre-determined framework would still allow the developer to assess the optimal project between a non-prime agricultural land-based project and a prime agricultural land based project with extra costs associated to the restrictions.

Торіс	Feedback
Based on what you heard today, do you require additional clarity on agriculture land restrictions? Why or why not?	No comments

General Comments/Feedback