

Feedback Form

Long-Term 2 RFP – July 24, 2024

Feedback Provided by:

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Date: August 9, 2024

Following the LT2 RFP July 24, 2024, engagement webinar, the Independent Electricity System Operator (IESO) is seeking feedback from stakeholders on the items discussed. The presentation and recording can be accessed from the [LT RFP engagement web page](#).

To promote transparency, feedback submitted will be posted on the Long-Term RFP engagement page unless otherwise requested by the sender. If you wish to provide confidential feedback, please mark "Yes" below:

- Yes – there is confidential information, do not post**
- No – comfortable to publish to the IESO web page**

Please submit feedback to engagement@ieso.ca by August 9, 2024.

Draft LT2 Energy Contract

Topic	Feedback
Do you have any comments regarding the calculation of the monthly payment information presented?	Comments provided previously still stand. Compensation should only be provided for actual energy delivered valued at market prices at the time of delivery. The complex estimation process continues to provide opportunities for participants to manipulate the system. At this stage of maturity, viable energy production technology should not require subsidies from electricity users to develop and operate generation systems. The variable nature of the output relative to the timing of demand should be reflected in the pricing of the bids.
Do you have any comments regarding the treatment of excess deemed revenues or analysis to share? Please attach any supporting information.	
Do you have any comments regarding the proposed approach to the performance obligations?	

LT2 Capacity Contract - High-Level Design Details

Topic	Feedback
..	See comments that follow in the general discussion section.

LT2 RFP Community Engagement Requirements

Topic	Feedback
Do you have any comments or suggestions regarding the approach for community engagement?	The response to my question during the webinar indicating that proposals to repower existing projects will be required to meet the full requirements in Regulation 359/09 is important. Many of the early wind turbine projects included incorrect estimated of noise emissions which resulted in noise levels that exceed the 40 dBA standard. These problems need to be corrected during the repowering process.

Topic	Feedback

General Comments/Feedback

Solar on Prime Agricultural Land - I was concerned that at the lack of understanding of municipal land use processes related to the protection of prime farm land that underlay comments from a number of organizations associated with the solar industry. I was also shocked that the IESO representatives on the call did not correct the errors. There have been two webinars on how the planning process applies to energy projects.

The comments from a number of organizations linked to the solar industry indicated that their workaround for the provincial prohibition of solar projects on prime agricultural land would be to request municipalities to remove zoning that designates their intended site as prime agricultural land.

This demonstrates a lack of understanding how municipalities develop their zoning by-laws and the process that underlies the zoning designations as prime agricultural land.

Municipalities do not determine what land should be considered prime agricultural land, that is based on the Canada Land Inventory undertaken by the federal government. The municipalities just use the maps generated by this process to classify lands in their official plans.

Protection of prime farmland has been a priority for the province for some time and this goal is enshrined in the Provincial Policy Statement which requires that these lands be protected in municipal Official Plans and zoning bylaws. Complying with the requirements of the Provincial Policy Statement is not optional for municipalities. Use of these lands for solar projects is specifically prohibited.

The only exception for the use of prime agricultural land is for new housing developments.

Even if a municipal council were to ignore this direction and allow a solar project on prime agricultural land, the decision could be appealed and it would be quickly overturned because it clearly violated provincial policy.

The solar industry needs to refocus their efforts to develop new projects on urban centres where these restrictions will be less of an issue. These sites also position the projects much closer to where the demand for electricity is concentrated.

When work arounds to evade provincial direction are suggested in these webinars, the IESO participants in the call should be able to quickly advise that they are not allowed within the direction provided by the Minister.

Proposed Contract:

Municipal Support: The requirement for Municipal Support is mentioned in the definitions section but no further details are provided within the contract. The situation with municipal support is complex as the following situations need to be covered in the contract:

Municipal Support Requirements – The IESO documents need to provide a definition of the basic materials that need to be presented to a municipality in support of a request for municipal support. The municipality is then free to add requirements that it needs to make the decision whether or not support the project.

Municipal Support Withdrawn after Contract Issued: Proponents want to provide minimal details on the project while seeking municipal support. This creates many opportunities where new information that provided in subsequent assessments of the project causes the host municipality to withdraw its previous support for the project. This can result from issues uncovered during the permitting process (i.e. the proposed site is not suited to the construction of the project). If the Agricultural Impact Assessment for is not provided as part of the requirements to seek initial municipal support, this increases the risk that municipal support can be retracted up to 18 months into the project.

Multiple Municipalities Involved: There were multiple examples of BESS projects being located on the boundary between two or more municipalities. Support from a single municipality does not ensure the support required for the project. Rules are needed to define when more than one municipal resolution is required as part of the submission. Otherwise the IESO could find itself arbitrating between two municipalities – one that supports a project and one that opposes the same project. Any municipality that will be required to host part of the project, including the connection with the transmission line; or provide services to the project through municipal emergency services arrangements.

Multiple Requests for Municipal Support for the Same Project – A project in Ottawa received a contract in LT1 even though its request for municipal support had been rejected. The proponent submitted the proposal despite this decision and it was awarded an LT1 contract. Even though municipal support was not required for these projects, it seems odd that a project that had been rejected by the municipality still received a contract. Rules around the frequency of submissions of the same project are required.

Prime Agricultural Land Definition– These lands are not identified in the Provincial Policy Statement but rather by the Canada Land Inventory prepared under the direction of the federal Department of Agriculture. The definitions section should be amended appropriately.

OMAFRA AIA draft guidelines – The March 2018 draft Agricultural Impact Assessment (AIA) Guidance Document published by OMAFRA does not provide direction applicable to assessment of the specific impacts encountered with wind turbine projects. The reference in the definition section of the contract should be revised to reflect the timing of the revised document.

Agricultural Impact Assessment – The discussion of requests for municipal support that have come before municipal councils in 2024 have largely centred on whether a wind turbine project is an appropriate use of prime farmland. This suggests that the Agricultural Impact

Assessment should be provided as part of the request for municipal support. Deferring this submission increases that municipalities will reject the request for support or withdraw their support when the AIA is presented.

Communicating with Municipalities – The formal contact for communications with municipalities is the Clerk of the municipality. This should apply to requests for municipal support and the any agricultural impact assessments. Forwarding items to the planning department will not ensure that the documents are formally logged as received by the municipality. (Section 2.12 a)

Facility Description (Exhibit A) – The name of the environment ministry should be revised to the Ministry of Environment, Conservation and Parks. Renewable energy projects are subject to special regulations so Section 1.3 should include references to the approval process for wind turbines, solar projects, etc. A section should be added to include discussion of the types of soil on which the project is sited. If it is located on areas indicated as prime agricultural land, the status of the Agricultural Impact Assessment should be included.