Indigenous Community Feedback and IESO Response

Transmitter Selection Framework (TSF)

Following the January 17, 2024 TSF community engagement webinar, the Independent Electricity System Operator (IESO) invited Indigenous communities to provide initial feedback on the TSF presentation materials, including any commentary on how the IESO can support Indigenous community input into this initiative. This session was in support the design of the Transmitter Selection Framework and the <u>Summer 2024 report-back</u> to the Minister of Energy. Feedback is posted on the Transmitter Selection Framework <u>Community Engagement webpage</u>.

Note on Feedback Summary and IESO Response

The IESO appreciates the feedback received from Indigenous communities. The following tables respond to the feedback received and are organized by each topic. This document is provided for information purposes only. It does not constitute, nor should it be construed to constitute, legal advice or a guarantee, offer, representation or warranty on behalf of the IESO.

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A) TSF Design Updates and Engagements

Feedback	IESO Response
Feedback submissions communicated the need to be kept informed of ongoing TSF design efforts via various avenues that include webinars, email, information sessions, one-on-one meetings, and website updates.	The IESO values the key role that Indigenous communities play in shaping and advancing Ontario's energy transition, and how we communicate and engage with Indigenous communities to garner their input and feedback is a very important part of what we do. The IESO remains committed to engaging with Indigenous communities early in its procurement design and planning processes. These opportunities will include both formal outreach, targeted webinars and individual meetings, as needed.

B) Sharing Community Feedback and Perspectives

Feedback	IESO Response
Indigenous communities expressed an interest in participating in focused engagement sessions as well as one- on-one meetings in an effort to share their community's feedback and perspectives through continued conversation and ongoing open dialogue of communication.	Committed to ongoing meaningful outreach efforts for information sharing and input, the IESO will continue to offer opportunities for Indigenous community engagement within the TSF design and engagement process. These ongoing outreach efforts allow for Indigenous communities to become more involved in the energy sector by providing input and feedback in the decision-making process.

C) Valuing Indigenous Participation and Models (e.g., equity partnership, training and employment, capacity funding, etc.)

Feedback	IESO Response
Consideration for equity models that will help Indigenous communities to become more financially independent, and allow for capacity funding, procurement, training and employment. Create policy that reflects the imperative for equity partnerships.	The IESO believes that Indigenous engagement and economic participation is key to the success of electricity infrastructure projects in Ontario. As such, the IESO will seek to build on and evolve Indigenous support and engagement requirements, and participation opportunities, for each procurement, leveraging lessons learned from past
Work to support regional development and local capacity must continue.	procurements.
Potential energy development project needs to be approved and supported by the Indigenous community at all stages through adherence to the community's vision, traditional core values, and Indigenous stewardship and knowledge of the land. Furthermore, it is important that any potential project proposal includes a policy to actively incorporate and take ownership and responsibility for ESG + I reporting practices that legitimately safeguard the environment and Indigenous Treaty Rights whilst contributing to community development and building local capacity.	Indigenous participation is key and the IESO remains committed to continue to encourage input and feedback that will help inform Indigenous participation models moving forward. The IESO offers a range of Indigenous funding programs through the Indigenous Energy Support Programs to help make Ontario's electricity system cleaner, greener, and smarter. The funding programs of the IESO promote broad equitable participation in Ontario's energy sector by supporting community capacity building, including energy planning and renewable energy development, as well as the building of energy knowledge and awareness, and skills related to energy projects. The 2024 Indigenous Energy Support Programs launched Friday, April 19, 2024.
	The Indigenous Energy Support Programs have been integral in building capacity and reducing barriers for communities to participate in the energy sector.

The IESO works closely with Indigenous communities to provide more tailored funding options that will help to achieve Indigenous communities' energy objectives so that communities will be better equipped to participate and play an increased key role in electricity projects. The IESO has increased funding caps and the added flexibility of program support will help encourage additional community participation that can benefit both community goals and IESO resource adequacy initiatives such as participation in competitive procurements.

The IESO Indigenous Relations Team encourages Indigenous communities to reach out with any questions that they may have regarding the Indigenous Energy Support Programs at Indigenousrelations@ieso.ca

D) Indigenous Communities Working with Transmitters and/or Partnering on Electricity Projects in Ontario

Feedback	IESO Response
Timely information sharing is necessary. There are benefits to creating a more competitive environment for prospective transmitters, including raising standards for Indigenous inclusion. At the same time, it is important to not overwhelm capacity-constrained First Nations in engaging with multiple proponents.	 feedback as it will help inform the design of the Transmitter Selection Framework and the report back to the Ministry of Energy this summer. The IESO will endeavour to ensure that communities are informed of potential projects as early as possible. The IESO believes that Indigenous engagement and economic participation is key to the success of electricity infrastructure projects in Ontario. As such, the IESO will seek to build on and evolve Indigenous support and engagement requirements,
What has worked well: For large projects equity model (with favorable lending terms from the developer) has worked for some First Nations as First Nations cannot support large debt for an extended period of time during development. Financial support via contribution agreements is also a priority to staff the projects accordingly.	
Partnerships between communities and developers on large scale electricity projects is essential. There is a desire to build long-lasting partnerships with reputable organizations to pursue electricity sector procurement opportunities.	
What has not worked well: The inability of some First Nations to pursue the process of negotiating participation or community-benefits opportunities due to lack of "capacity" Past projects attempted partnership but due to costs, the First Nations DID NOT end up becoming a true partner as originally planned.	

Consideration for 100% Indigenous ownership of power project and

transmission projects, and not limit opportunities to Indigenous partnership only.