

Role of Municipalities in IESO's TL2 RFP Iain Angus, Chair, CVNW Energy Task Force

Long-Term 2 Request for Proposals (LT2 RFP)

To meet Ontario's growing energy needs, a series of medium- and long-term procurements will be required. Key details include:

Acquiring resources with non-emitting energy-producing profiles, such as wind, solar, hydroelectric, storage and bioenergy for new-build resources and existing facilities.



LT2 RFP is built on the E-LT1 and LT1 RFPs, including applying lessons learned. IESO will aim to provide additional visibility for future procurement opportunities, allowing for additional early engagement and project development.



Several policy drivers may influence project siting, including requirements for obtaining municipal support, enabling northern Ontario projects, enabling development on Crown Land and agricultural land-use limitations.



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Timing will be key, LT2 RFP contracts will need to be in-service by 2030. Other mechanisms, such as MT2 RFP will offer flexible five-year terms and further medium- and long-term procurements will be executed on two-year cycles.





LT2 RFP Overview (2/2)

Key details (cont'd):



Several policy drivers may influence project siting, including requirements for obtaining municipal support, enabling additional project development in northern Ontario, enabling development on Crown Land and potential agricultural land-use limitations, including limits to project development on CLI Class 1-3 Agricultural lands.



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Timing will be key, specifically:

- LT2 contracts will need to be in-service by 2030
- The LT2 RFP will offer long-term contracts (i.e. 20 years)
- Other mechanisms, such as MT2 RFP will offer flexible five-year terms and further long and medium term procurements will be executed on 2-year cycles





LT2 RFP Timeline





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Potential Locations

Anywhere along the Ontario Electrical Grid
Opportunity for local expansion of capacity as well





First Nation

Sagatay Co-Generation Project

Bio-Energy Centre serving Armstrong, Collins and Whitesand First Nation 6.5 MW Generator **40 Mill Jobs 80 Jobs elsewhere** \$35 million Project



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 Generation applicant MUST get Municipal approval by resolution prior to submitting application to IESO

 IESO does not want any surprises after significant evaluation of project



 Municipal approval <u>does</u> not mean: » Approval of land sale » Approval of rezoning » Approval of servicing agreement or infrastructure improvements



Municipal approval <u>does</u>
 <u>not mean:</u>

 » Avoidance of public engagement by proponent
 » Avoidance of Environmental Assessment

» Avoidence of any other Provincial, Federal or Municipal mandatory reviews or permits required

- Municipal resolution <u>does</u> <u>mean:</u>
 - » A chance for Council to say project is welcome in their community or
 - » A chance for Council to say they do not want the project within their boundaries

- Depending on the type of generation what will the community reaction be?
 - » Biomass
 - » Solar
 - » Wind
 - » Hydroelectric
 - » Storage (pumped)
- Potential to hold public meeting to test the waters.



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- Depending on the type of generation what will the community reaction be?
 » Biomass
 - If wood is the fuel, does your community have a history of harvesting and processing forest products and will there be no opposition

 Depending on the type of generation what will the community reaction be?
 » Solar

> Size and location of project may influence community reaction



- Depending on the type of generation what will the community reaction be?
 - » Wind

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- Size and location of project may influence community reaction
- A number of projects across Ontario have been opposed by citizens for a variety of reasons
 - Noise
 - View
 - Environment

Big Thunder Wind Farm



- Council approved in principle
- Assumed towers would be at the back of the Mountain
- Site selection ruled out invisible locations and proposed very visible sites
- Community was not impressed and strenuously objected
- Eventually Province did not approve project

- Depending on the type of generation what will the community reaction be?
 » Hydroelectric
 - Few if any operating jobs
 - Impact on fishery
 - Impact on recreation & tourism
 - Water level regulation implications



Depending on the type of generation what will the community reaction be? **» Pumped Storage** • Depends on location • Depends on impact on the environment





- How many jobs are to be created
 - » Construction
 - » Operating
- Is there enough of a local or nearby workforce to meet the project's needs

 Are there enough hotel rooms (locally or close by) for external construction workers or

 Is there a need for a bunkhouse component for the construction workers





- Is there enough existing community infrastructure to accommodate the operating workforce
 - » Housing
 - » Schools

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- » Child Care
- » Physicians & other health care services?



- Do you have enough construction ready building lots to meet the demand of incoming workforce, or
- Does your Official Plan enable you to quickly develop new residential subdivisions to meet the influx?



 What are the policing requirements around a bunkhouse operation for the construction work force



 What will the project cost the municipality for improvements to support the generation project



Next Steps for Municipalities

- Develop a process in advance of receiving a proposal
- Identify who the lead is if a proposal is received
- Identify key issues to research



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Next Steps for Municipalities

 Create and Distribute a recruitment package to attract a generator to your community



Thank You and Good Luck!

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