

### 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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