

Stakeholder Feedback and IESO Response

2026 APO Electricity Planning Scenarios– May 21, 2025

Following the May 21 APO Electricity Planning Scenarios engagement webinar, the IESO invited stakeholders to provide comments and feedback on the materials presented by June 4, 2025.

The presentation materials and stakeholder feedback submissions have been posted on the IESO stakeholder [engagement webpage](#) for this engagement. Please reference the material for specific feedback as the below information provides excerpts and/or a summary only.

General Comments

Topic

Use of Planning Scenarios

Feedback

Stakeholders expressed interest in using electricity planning scenarios to better understand the pace and nature of electrification, evaluate infrastructure needs, and inform broader investment and policy decisions. They recommended deeper engagement on the scenario design process, including the quantitative assumptions underlying supply, demand, and macroeconomic factors. There was also a desire for clarity on how scenarios are selected and applied in the APO, and how the IESO is tracking emerging trends to determine which scenarios are most likely to materialize.

IESO Response

The IESO recognizes the uncertainties associated with electrification and economic growth, as well as current trade policy. As indicated in the May 21 Electricity Planning Scenarios Engagement, the 2026 APO introduces three scenarios – reference, high and low – based on different assumptions about trade policy, economic growth and electrification. The additional high and low scenarios, along with the reference forecast scenario, will consider both faster/slower demand growth (compared to the reference) to help aid in investment, infrastructure and policy decisions. This approach also allows the IESO to plan for a wide range of possible futures and test how decisions hold up under varying conditions.

Going forward, the IESO plans to continue modeling multiple electricity demand scenarios for subsequent APOs, aligning with the *Energy for Generations* plan and Minister’s Directive from June 12.

To provide opportunities for further engagement and expanded stakeholder input on the scenario design process, the IESO plans to hold ongoing scenario planning sessions to inform the demand forecast for subsequent APOs and to support long-term planning. The first of these ongoing sessions is expected to be held in late 2025 or early 2026, and will inform development of the 2027 APO demand forecast. These sessions will be held in parallel with engagements on the 2026 APO.

Topic

Future Engagement Topics

Feedback

Stakeholders suggested that future scenarios should reflect the direction established in Ontario’s Integrated Energy Plan and include transparency on key regulatory assumptions—particularly regarding the interaction between gas network utilization and electric heating adoption. There was support for continued dialogue on how scenarios relate to broader system planning, and a willingness to collaborate on refining planning inputs.

IESO Response

The IESO received a Minister's Directive on June 12 to implement initiatives in the Ontario government's Integrated Energy Plan. Future scenarios under development after January 1, 2026 are expected to reflect the requirements established in the Integrated Energy Plan and the associated Directive.

As indicated above, the IESO plans to engage with stakeholders on development of planning scenarios through ongoing sessions starting, starting with the 2027 APO demand forecast. Input from the planning sessions will help shape how assumptions and variables impacting the demand forecast are defined.

Topic

General Comments/Feedback

Feedback

Concerns were raised about the inclusion of new hydroelectric procurement in long-term planning. It was argued that hydropower is increasingly vulnerable to climate change, with projected drought conditions, extreme weather, and variability in water availability posing significant risks to its reliability and viability. Feedback emphasized that these risks not only affect electricity output but also threaten water quality, aquatic ecosystems, and community health. Stakeholders pointed to studies highlighting hydropower's greenhouse gas emissions—particularly methane—as well as the long-term ecological and socio-economic impacts of dam construction.

Recommendations included prioritizing investment in conservation, wind, solar, geothermal, and transmission, while avoiding new hydroelectric developments. There was also a call for increased support for decommissioning aging hydro facilities and restoring impacted ecosystems.

IESO Response

The IESO recognizes that changes in the climate create risk to the reliability of the electricity system, and intends to consider extreme weather impacts on grid resiliency in future assessments, where data and models are available to do so. Ontario's diverse resource mix, which includes nuclear, hydroelectric, natural gas, solar, wind, storage and bioenergy resources, helps mitigate some of this risk by ensuring that resources are available to meet system needs during periods of climate risk or weather-related events.

The IESO also recognizes that a reliable, affordable and sustainable electricity system provides a foundation for future economic development and economy-wide emissions reductions. To help meet Ontario's electricity needs emerging in 2029 and growing through the 2030s, the Minister of Energy and Mines directed the IESO to report back on a separate procurement for resources with long lead times and long lifespans, such as long-duration storage resources and hydroelectric generation. A competitive procurement is anticipated to be launched for these resources by the end of 2025.

Ontario's future energy needs are expected to be met through a combination of biomass, natural gas, hydroelectric, nuclear, wind and solar resources to mitigate the risks associated with any particular technology or fuel type, and energy efficiency and demand-side management as a reliable and low-cost resource.