

# Long-Term Request for Proposals

## Roadmap for Municipalities

### Background

The Independent Electricity System Operator (IESO), as the planner and operator of Ontario's electricity system, has identified emerging needs for additional electricity resources in the coming years. The new capacity will help maintain reliability of the electricity system and support Ontario's economic growth and decarbonization efforts, such as industrial expansion and electrification of transportation.

The IESO will be launching a procurement process, the Long-Term Request for Proposals (LT RFP), for at least 1,000 MW of capacity. The procurement process is expected to conclude by winter 2023 so that these resources can begin delivering electricity between 2026 and 2028. This process is taking a technology agnostic approach to addressing system needs, rather than acquiring specific fuel types. At its core, the LT RFP is acquiring the products and services that we need to meet Ontario's reliability obligations.

### Procurement

This procurement process will feature two main stages:

- Long-Term Request for Qualifications (LT1 RFQ): to ensure that the interested parties have the capability to undertake project development for the procurement. The LT1 RFQ will seek to evaluate applicants both on corporate experience and employee experience— Q2 2022
- Long-Term Request for Proposals (LT1 RFP): to evaluate and select the most competitive project proposals from pre-qualified proponents – Q1 2023

### Why Municipal Involvement is Important

Municipalities will be critical to the success of the LT RFP procurement as in many cases, new facilities will be proposed on land under municipal jurisdiction. Some municipalities may also be interested in being involved with project proposals themselves. Municipalities can expect to:

- Receive inquiries from project developers about potential project or connection line locations
- Have opportunities to provide feedback directly to project developers

- Be directly involved in certain approvals processes (i.e. zoning, building and other local and provincial permitting)
- Be informed of and participate in community meetings held by project developers
- Receive inquiries from community members
- Receive information from the IESO to understand the procurement process, their role, timelines, and opportunities for input in the design of the procurement

## Engaging with Municipalities

In addition to engaging regularly with energy sector participants, the success of the LT RFP will depend on outreach, engagement, and information sharing by the IESO with groups and communities not directly involved in the energy sector.

Municipalities can expect to be engaged throughout this initiative in the following three phases:

- Phase 1 – Informing (awareness building) – Jan 2022 to April 2022
- Phase 2 – Engage (engagement/feedback) – April to Aug 2022
- Phase 3 – Support (in LT RFP process/developer inquiries) – Aug 2022 to Jan 2023

### Phase 1 – Inform (January to April 2022)

During the inform stage, municipalities will learn about the characteristics of the LT RFP initiative. The characteristics include:

- Information about the emerging local and provincial needs
- Raise awareness of the LT RFP process and the potential for projects within municipalities
- Gather initial perspectives from municipalities to inform the next steps of this LT RFP community engagement

### Phase 2: Engage (April to August 2022)

During the engage stage, the IESO will ensure that municipalities are aware of how and when to participate in the procurement process as well as seek input on:

- The design of the procurement process
- Information or support municipalities may need through different stages of the RFP process
- Ways to streamline requests/inquiries from multiple projects/developers for municipalities

### Phase 3: Support (September to December 2022)

For Phase 3 the IESO will provide details to municipalities around the process and possible inquiries related to the procurement, including:

- The list of qualified proponents from the LT1 RFQ
- Ensuring clarity on any municipal-related requirements in the LT1 RFP (informed by Phase 2)
- Providing information to municipalities in support of inquiries from project developers or community members (i.e. FAQs, etc.)