Hello,

The IESO continues to progress towards securing new electricity resources with the launch of the Long-Term Request for Proposals (LT1 RFP). This is the second in a series of long-term procurements being undertaken to help address Ontario's future electricity needs. The LT1 RFP expects to procure more than 2,500 MW of capacity from new build resources, to be online no later than May 2028.

Final procurement documents, including the final RFP, Contract and Prescribed Forms, are now available on the Long-Term RFP <u>webpage</u>. The posting of these documents marks the official launch of the LT1 RFP. Proponents (i.e. project developers) have until December 12, 2023 to submit their proposal(s).

Indigenous Communities Have an Integral Role

Indigenous communities and groups continue to play an integral role in this procurement process, especially those communities in which projects are planned to be located on Indigenous Land.

The IESO acknowledges the important role that meaningful engagement with Indigenous Nations may play in the successful planning, development and operation of electricity resources. Where a project is proposed to be located on Indigenous Land, as defined in the LT1 RFP, a Proponent (i.e. project developer) is required to submit evidence of Indigenous support as part of their RFP submission, and carry out Indigenous engagement through the development and publication of a Community and Indigenous Engagement Plan, and the holding of a public community meeting.

Why This Process Matters

This is a pivotal point for the electricity system. Looking ahead, it is clear that ensuring reliability, sustainability and affordability in the future depends on maintaining this momentum. New supply must be secured as needs continue to grow and evolve and Ontario sees an expanding reliance on the electricity grid. In addition, as a requirement for more energy production emerges toward the end of the decade, a broader range of supply options could be considered for future procurements.

Ontario's economy is projected to see continued development over the coming decades in a number of sectors. This is increasingly being driven by decarbonization and electrification. The 2022 Annual Planning Outlook demand forecast anticipates increased consumption from projects such as new battery manufacturing facilities and mining operations that support decarbonization.

Creating opportunities for Indigenous leadership and participation in the procurement of new electricity capacity is a way to support economic development opportunities for Indigenous communities and to advance steps towards reconciliation.

Our collaboration is critical to ensure that the community's economic growth and development potential is realized in the context of an orderly energy transition.

Optional Resources

For more information, Indigenous communities are encouraged to refer to the province's <u>Powering Ontario's Growth</u> report and these IESO resources to learn more:

- The Evolving Grid: Securing New Energy Supply
- <u>Municipal Electricity Toolkit</u>
- <u>Pathways to Decarbonization Report</u>

Communicating with the IESO during the Open Procurement Period

This email signals the beginning of a competitive procurement process. This means that starting today, the IESO will provide responses in accordance with the communication protocols outlined in Section 3.4 of the final LT1 RFP to protect the competitive process.

Therefore, any questions regarding the LT1 RFP must be provided in writing via the LT.RFP@ieso.ca inbox. No other inboxes will be responded if it is related to procurement.

Through the design of the procurement, municipalities are empowered to consider providing support for generation and storage projects that align with their strategic goals and priorities. The future of our system is predicated on community decisionmaking to the benefit of all communities across Ontario. The expansion of our electricity system will help to attract investment, electrify our economy and help support the population and economic development growth that lies ahead.

We look forward to your continued involvement and will be in touch in the coming months with updates and opportunities for input into future procurements.

Thank you,

IESO Indigenous Relations Team