

LT2 RFP Webinar for Municipalities

IESO



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As a follow up to the LT2 RFP discussions during the community webinars on <u>January 15</u> and <u>January 17</u>, this session for municipalities will:

- Recap Ontario's emerging electricity needs and the upcoming Long Term 2 Request for Proposals (LT2 RFP), including key considerations
- Present relevant information related to siting, land use, environmental approvals, accessing Crown Lands and treatment of prime agricultural areas
- Provide deeper discussion and opportunities to ask questions, offer comments and share perspectives



Agenda

- 1. Recap: Emerging System Reliability Needs and the LT2 RFP
- 2. Presentation by Ministry of Municipal Affairs and Housing (MMAH)
- 3. Presentation by Ontario Ministry of Food, Agriculture and Rural Affairs (OMAFRA)
- 4. Presentation by Ministry of the Environment, Conservation and Parks (MECP)
- 5. Presentation by Ministry of Natural Resources and Forestry (MNRF)
- 6. Questions, Answers and Reflections



Recap: Emerging System Reliability Needs and the Long-Term 2 RFP (LT2 RFP)



Ontario's Changing Electricity Landscape

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This is a **pivotal point** for the electricity system. Ontario is entering a period of growing needs – by 2050, energy consumption could double



These needs are being driven by economic growth, population growth and increased electrification

This demand growth is happening in the midst of expiring generator contracts, nuclear refurbishments and the elimination of emissions from the grid



To meet the emerging needs, **Ontario will** require new electricity infrastructure, including new supply and transmission





Securing New Resources

The IESO has developed, implemented, and evolved its Resource Adequacy Framework to ensure that it has multiple tools available to meet emerging system needs.

Capacity Auction	Medium-Term (MT) Procurements	Long-Term (LT) Procurements	Programs	Bilateral Negotiations
Balances fluctuations in capacity needs from one year to the next. Executed on an annual basis	Provides new and existing resources with greater certainty through longer forward periods and flexible 5- year commitments	Incentivizes investment in new and re-powered resources with long forward periods and commitments	Meets electricity policy objectives in a more targeted manner as directed	Secures resources where a need exists that cannot be addressed in a practical and timely way through competitive processes
		Expedited (E-LT1),		

LT1, LT2 RFPs



LT2 RFP Overview (1/2)

To meet Ontario's growing energy needs identified in the <u>2024 Annual Planning Outlook</u> (<u>APO</u>), the LT2 RFP will:



- Acquire approximately 2,000 MW of new resources with non-emitting energyproducing profiles, such as wind, solar, hydroelectric, and bioenergy:
- New-build resources, including utility scale generation, distributed energy resources, and long lead time resources (such as waterpower),
- Existing non-emitting resources seeking to re-power in order to continue to contribute to Ontario's needs, including long lead time resources (such as waterpower)*,
- Resources need to produce energy over a sustained period of time, not just during peaks,
- Need is additional to the capacity procured through previous procurements (i.e. E-LT1, LT1 and MT1 RFPs), and the target is expected to be further refined

*only new or incremental MW from existing resources would count toward the target



LT2 RFP Overview (2/2)

Key details (cont'd):



Build 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 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.



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)



Proposed LT2 RFP Timeline

Dec 2023March 2024Q2 2024Q4 2024EngagementReport back toDraft RFP &Final RFP &kick-offgovernmentContractContract

Mid 2025 Proponent Proposal Submission Deadline 2030 Resource In-Service



On-going engagement



LT2 RFP: Resource Eligibility

The IESO expects to procure **non-emitting**, **energy producing resources that are enabled in the IESO-administered markets**, including new-build resources and repowered facilities. Long lead time resources will also be considered in the LT2 RFP.

New-Build Resources

- New generation facilities
- DERs (enabled in IESO markets)
- Long lead time resources

Repowered Facilities

- Eligible repowered existing facilities
- Long lead time resources



LT1 RFP vs LT2 RFP

There are a few key distinctions between LT1 and LT2 RFPs:

Ľ	T1 RFP	L	T2 RFP
•	Capacity based resources to provide a minimum of four hours energy duration	•	Non-emitting, energy producing resources, including DERs, repowered facilities and long lead time resources
•	Municipal support needed no later than sixty (60) days after the eighteen (18) month anniversary of the Contract Date	•	Municipal and Indigenous support required ahead of proposal submission (no rated criteria points for municipal support)
•	Rated criteria points for acquiring municipal support prior to proposal submission and/or for certain levels of economic participation by Indigenous communities	•	Deliverability information will be provided upfront to determine system constraints. Will help enable site selection, with deliverability test to be conducted as part of proposal evaluations
•	submission. Determined system constraints that may prevent a proposed project from providing energy during peak system conditions	•	Timelines will allow for more time for proponents to engage and work with communities

Summary

Emerging energy need: Forecasts project a need for approximately **5 TWh** of energy beginning in 2030 and expected to grow significantly through the 2030s

LT2 RFP procurement focus: The LT2 RFP will focus on meeting system needs in 2030 and beyond, with an anticipated target of ~2,000 MW

Resource Characteristics: Non-emitting, energy producing resources, enabled in the IESO-administered markets

Resource Eligibility: New-build resources, repowered facilities, long lead time resources with local body governing support and Indigenous and community engagement requirements

Timelines: Proposed milestone date for commercial operation is May 1, 2030



Next Steps

- Follow-up engagement session in Q2, updates and 1:1 discussions as needed
- Discussions at upcoming municipal conferences:
 - Ontario Good Roads Association (OGRA), April 21-23
 - Northwestern Ontario Municipalities Association (NOMA), April 24-26
 - Federation of Northern Municipalities of Ontario (FONOM), May 6-8
 - Ontario Municipal Administrators Association (OMAA), May 15-17





Land use Planning and Agricultural Considerations for Siting Energy Projects

IESO Engagement Session

March 26, 2024



Ministry of Municipal Affairs and Housing Ministry of Agriculture, Food and Rural Affairs

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Purpose:

Provide an overview of existing agricultural land use policies for renewable energy projects in agricultural areas.

Outline:

- Ontario's land use planning system
- Overview of agricultural policies
- Additional resources



Ontario's Land Use Planning System



Key Elements

Provincial-led System

Province sets big-picture planning framework across
 Ontario through legislation, policies & plans

Municipal Implementation

 Municipalities implement provincial framework through their official plans, zoning by-laws, and decisions on other planning matters

Community Engagement

 Providing opportunities for input is an important piece of the system



Land Use Planning Legislative and Policy Framework

The province directs and oversees the planning policy framework using the following:

Planning Act	 The Planning Act provides the legislative framework for land use planning in Ontario, including: Expressing provincial interests in land use planning Providing authority to issue provincial policies that guide municipalities in their planning and development decisions Establishing local planning administration and decision-making roles (e.g., delegation of approval authority) Setting out requirements for public participation in planning. Providing tools to municipalities, including the legislative authority for official plans, zoning by-laws, plans of subdivision, and the community planning permit system. Setting out the process and requirements for appeals of decisions, including to the Ontario Land Tribunal (OLT).
Provincial Policy Statement	 The Provincial Policy Statement (PPS) applies province-wide: All ministries with land use planning mandates/interests contribute to the policies of the PPS



- Provides policy direction to municipalities, planning authorities, the Ontario Land Tribunal, ministries, ministers and government agencies on land use planning matters such as managing growth, housing, employment and economic development, natural heritage, agriculture, mineral aggregates, water, and natural and human-made hazards
- Was last updated in 2020 it must be reviewed at least every ten years, although the government has
 discretion to review it at any time. A review is currently underway, and the government recently
 consulted on a proposed <u>Provincial Planning Statement</u> that would combine relevant policies of the
 PPS and A Place To Grow: The Growth Plan for the Greater Golden Horseshoe to create a provincewide policy document
- Guidance material and technical criteria may be issued to assist decision-makers in implementation.
- Land use planning decisions in Ontario must be consistent with the PPS.

Land Use Planning Legislative and Policy Framework (cont'd)

Provincial Plans



- Created under the authority of various statutes and establish provincial direction for specific geographic areas.
- Key MMAH-administered Plans include the Greenbelt Plan, Oak Ridges Moraine Conservation Plan, and A Place To Grow: Growth Plan for the Greater Golden Horseshoe (A Place to Grow)
- Municipalities implement through their planning decisions which are required to conform with provincial plans in-effect.

A Place to Grow: Growth Plan for the Greater Golden Horseshoe 2019 (APTG) issued under the *Places to Grow Act, 2005*, is the provincial plan for planning and managing growth in the Greater Golden Horseshoe region

- The Plan builds upon the PPS and sets out more specific policies for managing growth in the Greater Golden Horseshoe.
- Focuses population and employment growth in settlement areas; establishes minimum density and intensification targets; coordinates infrastructure and economic planning with growth planning, etc.



Ponario

The **Greenbelt Plan**, issued under the Greenbelt Act, 2005, provides permanent protection for agricultural and environmentally sensitive lands in the Greater Golden Horseshoe

- Builds upon the PPS and sets out more specific policies for the Protected Countryside in the Greater Golden Horseshoe.
- The Greenbelt is made up of the Protected Countryside of the Greenbelt Plan, along with the areas covered by the Niagara Escarpment Plan and the Oak Ridges Moraine Conservation Plan.
- Establishes geographic specific policy areas; contains policies regarding lot creation, non-agricultural uses and key natural heritage features and key hydrologic features, and policies permitting infrastructure and aggregates (subject to conditions).

Municipal Tools and Implementation

Municipalities in Ontario can be single-tier or they can be two-tiered.

- With few exceptions, single-tier municipalities are authorized to make all relevant planning decisions within their geographies.
- Where authority is divided, upper-tier municipalities (e.g., counties and regional or district municipalities) deal with broad land use planning
 issues that impact more than one local municipality.
- All upper-tier municipalities have their own official plans and have been delegated the power to approve lower-tier official plans. Some upper-tier municipalities also approve plans of subdivision.

Municipalities implement the land use planning policy framework using the following tools:

Official Plans	:	Provide direction and guidance for municipal land use planning. Official plans are a blend of provincial policies/plans and local policies to address community needs.
Zoning By-Laws		Implement the objectives and policies of the official plan. Provide detailed direction on how land may be used, and other matters such as parking requirements, building heights and setbacks from the street, etc. Applicable law for a building permit. Note: Zoning by-law, minor variance, and site plan approvals processes may be combined under a Community Planning Permit System (CPPS) where one has been established.
Land Division	•	Division of a piece of land into two or more parcels in order to develop and/or sell one or more, by plan of subdivision or consent.
Site Plans	•	Planning tool municipalities use to manage community development. Used to evaluate certain site elements, such as walkways, parking areas, landscaping or exterior design on a parcel of land where development is proposed.

Municipal Role in Siting of Renewable Energy Generation Projects

Green Energy Repeal Act, 2019 (GERA)

Restored municipal authority over the siting of renewable energy generation facilities, and restricted appeal rights on a municipality's decision to refuse
a proponent's request to amend an official plan or Zoning by-law to permit a renewable energy generation facility.

Provincial Policy Statement, 2020 (PPS) Energy Supply Policies

- Require planning authorities to coordinate, integrate and align planning for infrastructure with land use planning and growth management so that
 infrastructure is available to meet current and projected needs. Energy generation systems and facilities are included in the definition of infrastructure
- · Direct municipalities to provide opportunities for the development of energy supply, including renewable and alternative energy systems

Demonstration of Municipal Support

- As a condition of the <u>Renewable Energy Approval</u> process, planning authorities are required to submit written confirmation that the proposed use of land at the project location is not prohibited by a zoning by-law or Minister's Zoning Order.
- In past IESO procurements, submission of a <u>Municipal Support Resolution</u> was required as part of the procurement rules.
- Any project that triggers an approval under the Planning Act (creation of a new lot, a change in land use, or the construction of buildings and structures
 requiring approval under the Planning Act) may require municipal land use planning approvals, which could include:
 - o official plan and/or zoning by-law amendment(s)
 - subdivision control or part-lot control
 - o site plan control
 - consent to sever land
 - o building permit
- In addition, development and site plan control agreements for renewable energy projects typically involve:
 - negotiated agreements between municipality or landowner and developer/energy proponent;
 - contractual obligations dealing with matters such as servicing, maintenance, access, etc.;
 - may be registered on title (run with the land)

Context

- Focus today is on land use policies in place at this time.
- IESO has been directed to report back to the Minister of Energy regarding the impacts of additional limitations, or outright restrictions, on project development in prime agricultural areas.
- Feedback collected through IESO's engagement process will inform government decision making on the design of the procurement and associated policies.



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Provincial Policy Statement, 2020 - Agricultural Policies

PPS Agricultural Policies - Section 2.3.1

- The PPS provides policy direction requiring that Prime Agricultural Areas (PAAs) are to be designated (mapped) and
 protected for long-term use for agriculture.
 - These policies also provide direction on what land uses are permitted in PAAs.
- PAAs are large, contiguous blocks of land that support agricultural activities.
- PAAs consist predominantly of prime agricultural land (Classes 1, 2 and 3 soils).
 - In many cases, PAAs also include associated Classes 4 -7 soils.
 - See next slide for distinction between prime agricultural land and prime agricultural areas.

Designating Prime Agricultural Areas and Specialty Crop Areas – Section 2.3.2

- · Designating PAAs helps to ensure Ontario's best farmland is considered when land use decisions are made.
 - o PAAs are shown in municipal official plans (see Appendix A for a snapshot of where PAAs are designated).
- PAAs include specialty crop areas (fruit and vegetable growing regions):
 - o These are some of the most productive, diverse and economically significant agricultural regions in the province.
 - Specialty crop areas are finite and irreplaceable growing regions and are therefore given the highest priority for protection.
 - These areas are identified for a unique combination of soils or climatic conditions, farmers skilled in the production of specialty crops; and a long-term investment of capital (e.g., rootstock, drainage, infrastructure and related facilities and services).
 - Approximately 0.09% of Ontario's land base is designated as specialty crop area.



Prime Agricultural Land vs. Prime Agricultural Areas

Prime Agricultural Land

- means specialty crop areas and/or Canada Land Inventory Class 1, 2, and 3 lands, as amended from time to time, in this order of priority for protection;
- mapping is based on soil and climate and is only one of several considerations when mapping prime agricultural areas.



Prime Agricultural Areas

- means areas where prime agricultural lands predominate. This includes areas of prime agricultural lands and associated Canada Land Inventory Class 4 through 7 lands, and additional areas where there is a local concentration of farms which exhibit characteristics of ongoing agriculture;
- mapping is used to determine locations to avoid, as it is based on multiple factors (e.g., prime agricultural land, fragmentation and agricultural use) and a transparent, consultative process to identify lands for long-term protection for agriculture.



More information is available here.

Dufferin County Official Plan Example



- *Rural lands:* are located outside prime agricultural areas and settlement areas.
- In many parts of the province, it is common for municipal official plans to have both PAA (i.e., pink) and rural lands (i.e., orange) designated.



- This usually means that the area outside settlement areas has a broader mix of prime agricultural land and lower-capability land.
- While lower-tier official plans must conform with the upper-tier official plans, it is important to consult both tier's plans for additional detail.

Energy Projects under the Provincial Policy Statement, 2020

Permitted Uses - Section 2.3.3

- In prime agricultural areas, permitted uses include agricultural uses, agriculture-related uses and onfarm diversified uses.
- Some energy projects may meet the policy criteria for these uses (e.g., limited in area) and could be permitted as such in prime agricultural areas.
 - For example, technologies integral to farm operations (e.g., biogas using primarily agricultural inputs) and those with no land-based footprint (e.g., rooftop solar), or with a limited footprint (e.g., wind turbines).



Non-Agricultural Uses in Prime Agricultural Areas – Section 2.3.6

- Large scale energy projects (e.g. land extensive) are considered non-agricultural uses under the PPS.
- Policies for non-agricultural uses state:
 - not permitted in specialty crop areas and are discouraged in the remainder of Ontario's prime agricultural areas; and,
 - o may only be permitted in prime agricultural areas subject to additional policy requirements:
 - > an evaluation of alternative locations that avoid prime agricultural areas; and,
 - mitigation of impacts.

See next slide...

Evaluation of Alternative Locations – Section 2.3.6.1 b)

- Where possible, land extensive energy projects should be sited outside of prime agricultural areas.
- A suggested hierarchy of alternative locations could include:
 - o brownfield or greyfield sites, industrial lands, or employment lands, not in the prime agricultural area;
 - rural lands, not in agricultural use;
 - rural lands, in agricultural use;
 - non-agricultural properties within the prime agricultural area (e.g., former aggregate sites, commercial or industrial lands);
 - retrofitting existing renewable energy sites within the prime agricultural area (e.g., technology improvements without using more land).

Mitigating Impacts – Section 2.3.6.2

- Impacts from any new or expanding non-agricultural uses on surrounding agricultural operations and lands are to be
 mitigated to the extent feasible.
- A Place to Grow, Greenbelt Plan, NEP and ORMCP currently require an Agricultural Impact Assessment (AIA), or equivalent analysis, for infrastructure in PAAs.
- An AIA is a useful tool help avoid, minimize and mitigate impacts to farmland, farm operations and the surrounding area.
 - An AIA identifies and assesses potential impacts from development on agriculture.
 - An AIA can be tailored to the technology type, impact and project scale.
- OMAFRA does not review/approve AIAs. If an AIA is submitted in support of a project, these would be reviewed by municipal staff.

Examples of alternative locations

- It is important to consult prime agricultural area mapping in municipal official plans for siting projects.
- Municipal Support Resolutions (MSRs) may recognize the need for also obtaining planning approvals (e.g., conditional on alignment with municipal land use designations, etc.).
- Avoid prime agricultural area (i.e., beige);
- Consider alternative locations, such as:
 - Rural lands (i.e., white "rural areas")
 - Settlement areas (i.e., pink and purple)



Northumberland County Official Plan Land Use Schedule



Additional Resources

- Prime Agricultural Areas
- <u>Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas</u>
- Draft Agricultural Impact Assessment Guidance
- The Agricultural System
- <u>Agricultural Systems Portal</u>



Appendix A

- In southwestern Ontario, many municipalities designate all land outside settlement areas as a PAA (green areas).
- This reflects the widespread quality of the agricultural soils and prevalence of farming in this region.
- Energy projects can be located in the grey, white, red, or yellow areas to avoid loss and fragmentation of prime agricultural areas.
- Projects with limited footprint could be sited in the green areas.



Environmental Approval Requirements for Renewable Energy Projects

IESO Information Sessions

February/March 2024





• To provide an overview of the Ministry of the Environment, Conservation and Parks (MECP) approval requirements for renewable energy projects.



- Approval requirements for renewable energy projects have changed over time, and the legal instrument that regulates a facility depends in part on when the facility was established, as well as other factors such as project type and size.
 - Renewable Energy Approvals (REAs) for wind, solar and bioenergy facilities (since 2010).
 - Small ground-mounted solar projects (<500kW) may register through Environmental Activity & Sector Registry (EASR).
 - Environmental Compliance Approvals (ECAs) for wind, solar and bio-energy facilities (pre-2010).
 - Wind facilities required to complete a streamlined environmental assessment (EA) process prior to obtaining an ECA.
 - Class Environmental Assessment (EA) for Waterpower projects.

New Wind Facilities

- New wind facilities are required to obtain a Renewable Energy Approval (REA) from MECP if the nameplate capacity is ≥3 kilowatts (kW).
 - Projects <50 kW have fewer REA requirements; <3kW are exempt.
- REA applications submitted to MECP must meet requirements of Ontario Regulation 359/09 - Renewable Energy Approvals, under the *Environmental Protection Act*, which include (but are not limited to) the following:
 - Consultation with local municipalities, Indigenous communities and the public (through mandatory public meetings and postings on the Environmental Registry of Ontario).
 - Preparation of specific technical reports and studies (including noise assessments, natural heritage assessments, etc.).
 - Confirmation of municipal zoning and demonstration of demand.
 - Confirmation letters from other ministries re: natural heritage and cultural heritage studies.

New Wind Facilities - Noise

- MECP's **Technical Guide to Renewable Energy Approvals** explains the requirements of O. Reg 359/09 and how to prepare a complete REA application for submission to MECP.
 - <u>Technical Guide to Renewable Energy Approvals</u>
 - Ontario Environmental Protection Act Renewable Energy Approvals
 <u>Regulation</u>
- New wind facilities are required to prepare noise assessments (noise modeling) as part of the REA application process, in accordance with MECP's Noise Guidelines for Wind Turbines, to show that the proposed facility will comply with applicable noise limits.
 - Ontario Noise Guidelines for Wind Farms
- Once approved and operational, the facility will be required to conduct acoustic audits (noise measurements) in accordance with MECP's
 Compliance Protocol for Wind Turbine Noise.
 - Ontario Compliance Protocol for Wind Turbine Noise

Existing Wind Facilities

- Existing wind facilities are currently operating under terms and conditions of:
 - REA (projects approved since 2010), or
 - ECA (projects approved pre-2010).
 - Completed a streamlined EA process prior to obtaining an ECA.
- Existing wind facilities with a REA or ECA that obtain a new IESO contract, and **do not propose any changes** to their existing projects can continue to operate under the conditions of their existing approval.
 - Being awarded an IESO contract without proposing project changes does not trigger an amendment to an existing REA/ECA.
- Existing wind facilities that do propose changes to their projects will require amendments to their existing approvals (including requirements to undertake noise assessments/audits if the proposed changes impact noise emissions).

Existing Wind – REA Amendments

- If project changes are proposed for an existing facility with a REA, then the **REA amendment** process will be followed.
 - Existing REAs generally already have conditions that require acoustic audits.
 - If the proposed project changes are expected to **impact the facility's noise emissions** (e.g. new turbine, new transformer), then as part of the amendment process, MECP would require noise assessments and **acoustic audits** to be conducted again.
 - MECP would require the noise assessments to be conducted in accordance with MECP's Noise Guidelines for Wind Farms and the acoustic audits in accordance with MECP's Compliance Protocol similar to new facilities.
 - The purpose of the noise assessments and acoustic audits is to confirm that facility will be able to operate within allowable noise limits after the proposed project changes are implemented.

Existing Wind – ECA Amendments

- If project changes are proposed for an existing facility with an ECA, the **ECA amendment** process will be followed.
 - ECA facilities would have originally completed a streamlined EA as part of their initial approval process, and this too may need to be amended to reflect the project change(s).
 - Existing ECA facilities generally **do not** have conditions that require acoustic audits.
 - If the proposed project changes are expected to **impact the facility's noise emissions** (e.g. new turbine, new transformer), then as part of the amendment process, MECP would require noise assessments and **acoustic audits** to be conducted.
 - MECP would require the noise assessments to be conducted in accordance with MECP's Noise Guidelines for Wind Farms, and the acoustic audits in accordance with MECP's Compliance Protocol.

Compliance

- The Compliance Protocol for Wind Turbine Noise outlines MECP's current process for noise Complaint Assessment.
- When a wind facility (with a REA or an ECA) receives noise complaints, MECP will apply the multi-step Complaint Assessment process to validate the complaint.
- Through the multi-step Complaint Assessment process, MECP may ultimately determine that an acoustic audit may be required at a facility (or at a specific location) that had previously not been required to conduct acoustic audits.
- MECP has and will continue to use this process to apply new acoustic audit requirements to facilities, where warranted, to ensure that wind facilities are not exceeding allowable noise limits.

New Solar Facilities

- New ground-mounted solar facilities are required to obtain a REA from MECP if the nameplate capacity is >10 kilowatts (kW).
 - Small ground-mounted solar projects between 10 kW 500kW that meet other eligibility criteria, may register through the Small Ground-Mounted Solar EASR process instead of obtaining a REA.
 - <u>Small ground-mounted solar facilities user guide for Environmental Activity</u> and Sector Registry
 - Ontario Environmental Protection Act Regulation for Solar Facilities
- Solar REA applications submitted to MECP must meet requirements of O. Reg 359/09 similar to new wind facilities.
 - Associated transformers and inverters that emit noise require noise assessments to be conducted in accordance with MECP's guidance:
 - Ontario Environmental Noise Guideline Stationary and Transportation Sources - Approval and Planning (NPC-300)
 - Information to be submitted for approval of stationary sources of sound (NPC- 233)

Existing Solar Facilities

- Existing solar facilities are currently operating either under the terms and conditions of:
 - REA (projects approved since 2010), or
 - ECA (projects approved pre-2010).
- Existing solar facilities with a REA or ECA that obtain a new IESO contract, and **do not propose any changes** to their existing projects can continue to operate under the conditions of their existing approval.
 - Being awarded an IESO contract without proposing project changes does not trigger an amendment to an existing REA/ECA.
- Existing solar facilities that **propose changes** to their projects may trigger **amendments** to their existing REA or ECA approvals.

New Bio-Energy Facilities

- Bio-energy facilities are required to obtain a REA from MECP if they are anaerobic digestion or thermal treatment facilities using biomass, biogas or biofuel to generate electricity.
- REA application requirements for bio-energy projects are outlined in O. Reg. 359/09 and MECP's Technical Guide to Renewable Energy Approvals.
 - While some general REA requirements are consistent with wind and solar, other aspects are unique to bio-energy projects.
 - For example:
 - Bio-energy projects require odour studies
 - Similar to noise-emitting components associated with solar facilities (transformers/inverters), noise assessments are required, in accordance with MECP's NPC300 and NPC233 publications.

Existing Bio-Energy Facilities

- Existing bio-energy facilities are currently operating either under the terms and conditions of:
 - REA (projects approved since 2010), or
 - ECA (projects approved pre-2010)
 - Completed a streamlined EA process prior to obtaining an ECA
- Existing bio-energy facilities with a REA or ECA that obtain a new IESO contract, and **do not propose any changes** to their existing projects can continue to operate under the conditions of their existing approval.
 - Being awarded an IESO contract without proposing project changes does not trigger an amendment to an existing REA/ECA.
- Existing bio-energy facilities that **propose changes** to their projects may trigger **amendments** to their existing REA or ECA approvals.
 - In the case of older project with an ECA where a streamlined EA process was also completed, the EA may require amendments.

New Waterpower

- New waterpower projects may trigger requirements under the *Environmental Assessment Act,* as follows:
 - Comprehensive EA required if \geq 200 MW
 - Streamlined EA required if < 200 megawatts (MW)
 - Pursuant to Class EA for Waterpower Projects (unless exempted by the Class EA)
- Following completion of the EA process, the following permissions may apply:
 - ECA may be required for sewage.
 - EASR may be required for air and noise.
 - Other site-specific permits may also apply (e.g. permit under the *Endangered Species Act*).

Existing Waterpower

- Waterpower facilities can continue to operate in accordance with their existing approval(s) if there are no proposed changes to the facility.
- Streamlined EA requirements as outlined in the Class EA for Waterpower Projects (if name plate capacity is < 200 MW) or comprehensive EA requirements (if name plate capacity is ≥ 200 MW) may be triggered by proposed changes made to a waterpower facility.
- An ECA amendment and/or EASR registration update may also be required if there are changes proposed to the facility.
 - EA requirements would need to be addressed before any associated ECA amendments are pursued.

Battery Energy Storage Systems (BESS)

- A stand-alone BESS requires registration through the **Air Emissions EASR** – a proponent-driven, self-registration process.
 - Appropriate North American Industry Classification System (NAICS) code is 2211221 Electric Bulk Power Transmission and Control.
- Other requirements may also be triggered depending on associated infrastructure and site-specific considerations. For example:
 - Associated transmission lines and transformers may trigger Class EA requirements.
 - Changing the project site's permeability may trigger ECA requirements for stormwater.
- BESS projects that are integrated with generation facilities may trigger different requirements depending on the type of facility they are integrated with. For example:
 - BESS integrated with a wind facility would be approved under the same ECA/REA as the wind facility.



- The guidance provided in this presentation is general in nature and based on typical scenarios.
 - Site-specific considerations such as use of Crown land, the presence of species at risk and others, may trigger additional requirements.
- For this reason, proponents considering new or changes to existing renewable energy projects are encouraged to contact MECP to schedule a pre-submission meeting to discuss their specific project(s) and applicable requirements:
 - Email: <u>REAprogramdelivery@ontario.ca</u>
 - c.c. <u>Zeljko.Romic@ontario.ca</u>, <u>Kendrick.Doll@ontario.ca</u>, <u>Mark.Badali1@ontario.ca</u>

Online Resources

- The following regulations and guidance materials related to renewable energy projects are available on the MECP's website:
 - <u>Renewable Energy Approvals Process</u>
 - Technical Guide to Renewable Energy Approvals
 - Ontario Environmental Protection Act Renewable Energy Approvals
 Ontario Noise guidelines for Wind Farms
 - Ontario Compliance Protocol for Wind Turbine Noise
 - Ontario Environmental Compliance Approval
 - <u>Class EA for Transmission Facilities.pdf (prod-environmental-registry.s3.amazonaws.com)</u>
 - <u>Small ground-mounted solar facilities user guide for Environmental</u> <u>Activity and Sector Registry</u>
 - Ontario Environmental Protection Act Regulation for Solar Facilities
 - <u>Ontario Environmental Noise Guideline Stationary and Transportation</u> <u>Sources - Approval and Planning (NPC-300)</u>
 - Information to be submitted for approval of stationary sources of sound (NPC- 233)

Renewable Energy and Crown Land

February 9th, 2024 IESO Webinar

Disclaimer: This presentation and the information contained herein is provided for informational purposes only. The MNRF has prepared this presentation based on current policies and processes which are under review. Please continue to refer to Ontario.ca for the current Ministry policies and processes that apply. In the event there is any conflict or inconsistency in the future between this document and any legislation or regulation, or requirements for renewable energy projects or Crown land access as expressed by MNRF, the legislation, regulation, or requirements as applicable, govern.



Purpose

Provide an overview of the Ministry of Natural Resources and Forestry's (MNRF) policy and processes for renewable energy projects on Crown land.

Outline

- MNRF role in approvals
- Planning projects on Crown land and information sources
- Policy framework that enables early access for testing and exclusive access when proponents are awarded a contract
- Duty to consult Aboriginal people
- Renewable energy approvals process

MNRF's Role in Approvals

Public Lands Policies

- <u>Renewable Energy on Crown Land Policy</u> (RECL)
- <u>Renewable Energy Approval and Permit Requirements</u> Document (APRD)

Permits and Approvals

- Public Lands Act permits/approvals (roads, land use permits, leases)
- Lakes and Rivers Improvement Act

Renewable Energy Approval Regulation Requirements

- o Natural Heritage Assessment Guide
- o <u>Bird Guidelines</u>
- o <u>Bat Guidelines</u>



MNRF Role - Approvals

Main Responsibilities:

- Renewable Energy on Crown Land policy (RECL)
- Public Lands Act (PLA) approvals
- Lakes and Rivers Improvement Act (LRIA) approvals
- Approvals and Permits Requirements Document (APRD)
- Bat and Bat Habitat Guidelines for Wind Power
- Bird and Bird Habitat Guidelines for Wind Power
- Natural Heritage Assessment Guide

Supporting Responsibilities:

- Commenting agency for MECP-led <u>Renewable Energy Approvals</u>
 - MNRF confirmation that:
 - An assessment was done in accordance with the Natural Heritage Assessment Guide
 - A plan for monitoring and mitigating bird and bat mortality was prepared in accordance with bird and bat guidelines
- Commenting agency on proponent-led <u>Class EA for Waterpower</u> <u>Projects</u> (MECP administered).





Planning projects on Crown lands

Crown Land Use Policy Atlas

How to view Crown land use area boundaries, make a map and search for an area-specific land use policy or amendment online.

Use the Crown Land Use Policy Atlas



The <u>Crown Land Use Policy Atlas (CLUPA)</u> allows users to view the boundaries of Crown land use areas and associated land use policies: <u>https://www.ontario.ca/page/crown-land-use-policy-atlas</u>

The <u>Guide for Crown land use planning</u> provides detailed guidance on Crown land use planning for all Crown land use planning carried out under the authority of the Public Lands Act (PLA), south of the Far North boundary: <u>https://www.ontario.ca/document/guide-crown-land-use-planning</u>

The <u>Mining Lands Administration System (MLAS</u>) is another good source of land tenure information, including mining claims: <u>https://www.geologyontario.mndm.gov.on.ca/mines/lands/mlas-viewer-help/EN.html</u>



Crown land policy prohibitions for energy projects

In addition to areas identified through Crown land use planning as being unsuitable for renewable energy development, the following Crown lands are also not available:

- An area regulated or recommended as a provincial park or conservation reserve
- An area designated as a dedicated protected area in the Far North, unless the project qualifies as an exception under community-based land use plans or the Far North Act
- Naturally reproducing lake trout lakes
- An area where existing authorizations or dispositions under the Public Lands Act, Aggregate Resources Act, Oil Gas and Salt Resources Act, or Mining Act would prohibit development.



Other planning information sources

- 'Make a Map: Natural Heritage Areas' is an online mapping application that displays natural heritage information such as wetlands, woodlands, provincial parks, and Natural Heritage Information Centre data. This information may help proponents to identify areas that are more likely to be compatible with RE development: <u>https://www.lioapplications.lrc.gov.on.ca/Natural_Heritage/index.html?viewer=Natural_Heritage.Natural_Heritage&locale=en-CA</u>
- '<u>Pits and Quarries Online'</u> is an online mapping application that displays information about aggregate pits and quarries in Ontario authorized under the *Aggregate Resources Act*. This information may help proponents to identify existing authorizations under the *Aggregate Resources Act* which may preclude RE development:

https://www.lioapplications.lrc.gov.on.ca/Pits_And_Quarries/index.html?viewer=Pits ______and_Quarries.Pits_and_Quarries&locale=en-CA

 For proponents with GIS capabilities, Ontario's authoritative geospatial data is available digitally from <u>Ontario GeoHub</u>. Note: data sharing agreements may be required to obtain the data: <u>https://geohub.lio.gov.on.ca/</u>



MNRF Renewable Energy on Crown Land Policy

- MNRF uses existing Public Lands Act (PLA) tools to authorize early testing activities on public lands. (non-exclusive)
- <u>2014 Renewable Energy on Crown Land</u> <u>Policy</u> establishes requirements for access to Crown land, including:
 - Alignment with broader government energy policy
 - Consistency with legislation, Crown land use plans and policies
 - Alignment with Aboriginal, provincial, and/or community economic development objectives of the policy





Aboriginal Community Economic Benefits

Far North

Access to Crown land for water, wind, and solar power development opportunities will only be granted to local Ontario First Nation communities and/or their partners.

Northern Rivers

Access to Crown land for waterpower development within the Northern Rivers watersheds south of the Far North Act boundary will only be granted to local Ontario Aboriginal communities and/or their partners.

Moose River Basin

Continued government commitment to co-planning with certain First Nation communities about potential future waterpower development within the Moose River Basin, north of Highway 11.

Waterpower on other Crown lands

South of the boundaries identified above, the ministry supports the creation of community economic benefits and the participation of Ontario Aboriginal communities in the development of greenfield waterpower sites on Crown land (within or adjacent to the tertiary watershed):

 that have a capacity of between 1 megawatt and 10 megawatts, and where the adjacent bank(s) of the river are Crown owned.



Duty to Consult (DTC)

- The Crown owes a duty to consult and accommodate Indigenous communities when the Crown considers conduct that might adversely impact established or credibly asserted Aboriginal or treaty rights.
- Aboriginal and treaty rights are entrenched in section 35 of the Constitution Act, 1982
- Consultation varies with the circumstances, but in general:
 - Consultation requires good faith on both sides
 - The Crown must have the intention of substantially addressing the concerns of the Indigenous communities

While the duty to consult ultimately rests with the Crown, procedural aspects of the duty to consult can be delegated to proponents as they have the technical expertise on the development, technologies being used, processes of the operational aspects of a proposed project, and can better explain steps to the development of a proposed project to communities.



What does accommodation mean?

Accommodation may require mitigation measures to minimize the potential adverse impacts affecting the exercise of Aboriginal and treaty rights.

Accommodation can include:

Changing a project's scope or location Changing the timing of critical parts of a project to avoid seasonal impacts

Changing the methods or processes used Including Indigenous community members in project design or execution



Renewable Energy on Crown Land Process



"Entry" refers to non-exclusive access to Crown land provided through an authorization under the Public Lands Act to carry our certain work.

² "Access" means that the Ministry will not accept another renewable energy application under the RECL for the same lands at the same time.

³ Waterpower has a different approvals process from other renewable energy (e.g., wind, solar and biomass).

Note: Indigenous engagement and consultation may need to be undertaken at various stages throughout the process.



RENEWABLE ENERGY APPROVALS PROCESS FOR CROWN LAND WIND, SOLAR AND BIO-ENERGY PROJECTS

	Phase I Pre- development	Phase II IESO procurement & CLSR	Phase III Procurement contract & site access	Phase IV Planning process	<u>Phase V</u> : Permits & approvals	Phase VI: Construction & operation
Applicant	Applicant submits complete submission for RE testing project (APRD ¹ S. 5).	1. Applicant submits Crown Land Site Report (CLSR) to MNRF. MNRF reviews and shares results with IESO. Applicant submits application for procurement contract to IESO.	4. If awarded an IESO contract, applicant submits application for exclusive site access from MNRF under RECL policy.	6. Applicant submits complete submission to MNRF for RE generation project (APRD ³ S. 6) and to MECP as per REA regulation.		9. Post-construction monitoring and compliance (e.g., bird and bat mortality monitoring at wind power projects). Results reported to MNRF.
MNRF	MNRF reviews application and grants non- exclusive entry ² under PLA {e.g., LUP)		5. If application is accepted by MNRF, access will not be granted to any other applicant for the same site at the same time.	 7a. Coordinated review of complete submission. 	Public Lands Act 8b. MNRF grants use/occupation of Crown land for RE generation project ⁴	 MNRF reviews monitoring data and ensures compliance.
IESO		2. IESO reviews application for procurement contract.	3. IESO decides whether to award a contract	- 7h Coordinated	8a. MECP grants	
				review of complete submission.	REA Other Provincial	
MECP	⁴ Complete submission requirementation or modification ³ Authorization for RE testin including water crossings), ⁴ Complete submission requirementation report resources; 6. Design and op ⁴ Une/occupation of Crown Crown leaves, Land use perr NOTE: Prior to insujer arwo	irements for RI testing projects are scope of a transportation system to access the g project may be granted through a Lettel ander the Pathic Landr Act, 1990. irements for RI generation project are so t; J. Natural heritage assessment; 4. Wate erations report; 7. Construction plan repo and for RI project may be granted by one hit, Easement, Crosen patent, or Licence of emils or approach. MINE has a detertor	Approvals (e.g. Endangered Species Act). Municipal and federal approvals may also be required.	 		
	credibly asserted or establis	the d Aboriginal or treaty rights, or is corrie	emplating actions that have the potential to adverse	ly impact those rights. Procedural		-



RENEWABLE ENERGY APPROVALS PROCESS FOR CROWN LAND WATERPOWER PROJECTS





Have questions about pre-development/testing?

- Please contact MNRF support team at
 - <u>MNRFrenewableenergysupport@ontario.ca</u>
- Familiarize yourself on:
 - Buying or Renting Crown Land
 - <u>https://www.ontario.ca/page/buy-or-rent-crown-land</u>
 - The application for Crown Land
 - https://forms.mgcs.gov.on.ca/en/dataset/018-2401
 - Application for work permits
 - <u>https://www.ontario.ca/page/crown-land-work-permits</u>





<u>ieso.ca</u>

1.888.448.7777

customer.relations@ieso.ca

communityengagement@ieso.ca



