



Long-Term 2 RFP

Agricultural Impact Assessment Questions and Answers

Version 3

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Document Change History

| Version | Reason For Change | Date |
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| 1 | Long-Term 2 RFP: Agricultural Impact Assessment Questions and Answers | November 13, 2024 |
| 2 | 1.1, 2.2, 2.4 Revised to align with draft LT2(e) RFP and LT2(c) RFP | November 22, 2024 |
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Questions and Answers

The IESO has received a number of questions related to an Agricultural Impact Assessment. The following questions and answers have been prepared in conjunction with the Ontario Ministry of Agriculture, Food and Agri-business and are intended to provide preliminary clarification on the Agricultural Impact Assessment requirements in the LT2 RFP and the LT2 Contract. Capitalized terms used but not defined in this Q&A have the meaning given to them in the Market Rules, the LT2 RFP, the LT2 Contract, and the Preliminary Connection Guidance Document.

This document may be updated based on stakeholder questions and feedback pertaining to an Agricultural Impact Assessment.

1. Agricultural Impact Assessment

1.1 What is an Agricultural Impact Assessment?

An Agricultural Impact Assessment (AIA) is a technical study that identifies potential impacts from non-agricultural land uses on agriculture and recommends measures to avoid, or if avoidance is not possible, minimize and mitigate adverse impacts. There are three components of an AIA (avoid, minimize and mitigate), which may be completed in two different stages for an energy facility proposed under the Second Long-Term (LT2) procurement. The two stages are the AIA Component One Requirement, and the AIA Components Two and Three Requirement.

The AIA Component One Requirement considers ways to avoid potential adverse impacts (e.g., prevent impacts, where possible, through a project site selection process that considers options outside Prime Agricultural Areas and on lower priority soils, if necessary). The AIA Components Two and Three Requirement considers strategies to minimize potential adverse impacts (e.g., keep impacts to a minimum by incorporating specifics in the design of a project or its operational plan) and approaches to mitigate potential impacts (e.g., adopt measures to reduce the severity of impacts such as noise, dust, and traffic).

1.2 Who prepares an AIA?

The Proponent/Supplier is responsible for completing the AIA Component One Requirement, as well as the AIA Components Two and Three Requirement, and providing the documentation to the applicable Local Municipality(ies) for review. Proponents/Suppliers may choose to retain the services of a consulting firm or professional to prepare the AIA documentation for their project. AIAs are typically prepared by professionals knowledgeable in Ontario's agri-food sector. These professionals should have experience and credentials that match the scale and complexity of the undertaking. Individuals with technical, agricultural, and land use planning expertise and credentials should support the preparation of an AIA (e.g., professional agrologists or land use planners, etc.). For more information generally, please refer to page 10 of the draft Guidance Document for Agricultural Impact Assessments available online: www.ontario.ca/page/agricultural-impact-assessments. For guidelines on completing the AIA Component One Requirement specifically, please refer to: [OMAFA Guidelines for the LT2 AIA Component One Requirement](#) available on the IESO's Second [Long-Term \(LT2\) RFP](#) website.

1.3 What types of methodologies are involved in preparing an AIA?

Methods and data sources for preparing an AIA can vary depending on the type, nature, scale and extent of a project. Typically, the process begins with desktop-based research, which may include reviewing:

- aerial imagery,
- digital soil mapping,
- local official plans,
- provincial policy documents, and
- other indicators of existing or potential agricultural activity.

Once this remote information is gathered, it is recommended to engage with local agricultural and rural landowners, farm and agribusiness operators and rural community members. Information gathered during this consultation, along with on-the-ground observations (e.g., windshield surveys), will provide valuable local knowledge to inform the completion of an AIA.

Depending on the project, fieldwork may be limited to multiple observation surveys of the study areas, which may be undertaken at different stages of the growing season. If the project involves a site that will be rehabilitated back to agriculture (e.g., via a decommissioning plan), then soil sampling will be needed to document pre-disturbance conditions to establish a baseline for rehabilitating areas that will be disturbed.

1.4 Can elements of an AIA be scoped or streamlined?

Yes, subject to the Local Municipality's discretion, elements of an AIA may be scoped to reflect the type, nature, scale and complexity of the project. For example, avoiding Prime Agricultural Areas may not be feasible for projects which are inextricably linked to agriculture. In such cases, the process for evaluating alternative locations could be streamlined for agriculturally-integrated projects, as outlined in the [OMAFA Guidelines for the LT2 AIA Component One Requirement](#).

The scope of an AIA should also reflect the anticipated degree or magnitude of impact on agriculture. For example, a minor or negligible impact may not warrant as detailed an analysis or as many measures to minimize and mitigate impacts. This may be more likely for projects where fewer adverse impacts are identified through the AIA, or for projects which can demonstrate a high degree of compatibility with agricultural uses (e.g., by establishing or enhancing a symbiotic relationship). Projects of this nature may be supported by scoped AIAs documenting beneficial impacts. This may include projects which are located on farms and are integrated into agricultural activities on that farm or farm operations in the area, such as managing agricultural source materials, utilizing agricultural feedstocks, offering opportunities for flexible forms of continued agricultural production, improving erosion risks or other soil conditions, or generating byproducts (e.g., soil amendments, heat or CO²) that are primarily utilized by surrounding farm operations.

Each component of an AIA must be prepared to the satisfaction of the Local Municipality, so scoping or streamlining of elements should be discussed and confirmed with the Local Municipality.

1.5 Who reviews an AIA?

For the LT2 RFP, the AIA Component One Requirement, as well as the AIA Components Two and Three Requirement, are to be completed by the Proponent/Supplier and reviewed to the satisfaction of the Local Municipality. The Ontario Ministry of Agriculture, Food, and Agri-business (OMAFRA) does not approve or endorse individual AIAs. Ministry staff may, however, provide technical support to municipalities and Proponents/Suppliers to facilitate a consistent approach for the completion and assessment of AIAs.

2. Agricultural Impact Assessment Interaction with the LT2 RFP and LT2 Contract

2.1 Which proposals require an AIA in the LT2 RFP?

Per the June 6th 2024, ministerial letter jointly issued by the Ministry of Energy and Electrification (MOEE) (now known as the Ministry of Energy and Mines) and the Ontario Ministry of Agriculture, Food and Agribusiness (OMAFRA), and the August 28th ministerial letter issued by the MOEE, a Proponent whose proposed Project Site is located in whole or in part in Prime Agricultural Areas must complete an AIA to the satisfaction of the Local Municipality.

It is important to note that, as stated in the June 6th ministerial letter and the November 28th, 2024 Ministerial Directive for the LT2 RFP, projects are prohibited from locating in Specialty Crop Areas, and ground-mounted solar projects are prohibited from locating in Prime Agricultural Areas.

While the Provincial Planning Statement, 2024 defines what could, in principle, constitute a Prime Agricultural Area, the boundaries of any specific Prime Agricultural Area are designated through the Official Plan of the applicable municipality or Northern planning board. Lands outside a municipal or planning board's jurisdiction would not be included in an Official Plan and thus would not be designated as a Prime Agricultural Area for the purposes of the LT2 RFP. In those circumstances, the LT2 RFP and Contract requirements for projects locating in Prime Agricultural Areas would not apply.

2.2 When does an AIA need to be completed and what evidence is required by the IESO?

An Agricultural Impact Assessment (AIA) includes three components that may be completed in two separate stages under the LT2 RFP and Contract, subject to individual business decisions. The two stages are:

1. AIA Component One Requirement: Proposal Submission Requirement

The AIA Component One Requirement considers ways to avoid potential impacts and is completed as part of the site selection process which occurs prior to Proposal submission under the LT2 RFP. An initial evaluation of possible alternative locations and their potential impacts will be provided to the Local Municipality via the AIA Component One Requirement. Confirmation that the Proponent has satisfied the AIA Component One Requirement is

reflected in the required form of Municipal Support Confirmation [LT2\(e-1\) PF-MS100](#) and [LT2\(c-1\) PF-MS100](#). Therefore, as part of site selection, Proponents should evaluate and retain the evidence of the evaluation of sites outside of Prime Agricultural Areas, or on lower-priority soils, where applicable, so that the Proponent may provide this documentation to the satisfaction of the Local Municipality.

As part of preparing a Proposal for submission under the LT2 RFP, the Proponent should provide the Local Municipality with evidence documenting their consideration of alternative locations in a manner acceptable to the Local Municipality. Additionally, a Proponent is required to declare via the Proponent Information, Declaration and Workbook [LT2\(e-1\) PF-PI100](#) and [LT2\(c-1\) PF-PI100](#) that their project meets the eligibility requirements specified in the LT2 RFP, specifically section 2.1 of the [LT2\(e-1\) RFP](#) and section 2.1 of the [LT2\(c-1\) RFP](#). These eligibility requirements include the Proponent, as part of the Municipal Support Confirmation [LT2\(e-1\) PF-MS100](#) and [LT2\(c-1\) PF-MS100](#) providing confirmation from the Local Municipality that the AIA Component One Requirement has been completed to the satisfaction of the Local Municipality. A Proponent is required to submit the Municipal Support Confirmation and the Proponent Information, Declaration and Workbook as part of their Proposal submission.

2. AIA Components Two and Three Requirement: Contractual Requirement

While a Proponent or Supplier may choose to complete the AIA Components Two and Three Requirement at any point, subject to individual business decisions, the AIA Components Two and Three Requirement is required to be completed by the Supplier and confirmed to be satisfactory to the applicable Local Municipality within 18-months of Contract execution. The Supplier will be required to confirm to the IESO that the AIA Components Two and Three Requirement have been completed and reviewed to the satisfaction of the Local Municipality via Exhibit T: Form of AIA Confirmation Certificate, as set out in section 2.12 (a) of the [LT2\(e-1\) Contract](#), and section 2.13 (a) of the [LT2\(c-1\) Contract](#).

Summary

These are the two stages of AIA requirements:

1. AIA Component One Requirement: consideration of agriculture during site selection to avoid impacts to agriculture where possible; and
2. AIA Components Two and Three Requirement: impact assessment and approaches to minimize and mitigate impacts.

Both stages require confirmation from the Local Municipality that the requirement has been met, and both are formally documented through required LT2 prescribed forms.

2.3 Will the IESO review an AIA?

No, the IESO will not review, or receive any information on the content of, an AIA. The Proponent will be required to demonstrate to the IESO that the AIA Component One Requirement has been

completed and reviewed to the satisfaction of the Local Municipality via the Municipal Support Confirmation, as set out in section 2.1(d)(iii)(A) of the [LT2\(e-1\) RFP](#), and [LT2\(c-1\) RFP](#). The Supplier will be required to confirm to the IESO that AIA Components Two and Three Requirement has been completed and reviewed to the satisfaction of the Local Municipality via Exhibit T: Form of AIA Confirmation Certificate, as set out in section 2.12 (a) of the [LT2\(e-1\) Contract](#), and section 2.13 (a) of the [LT2\(c-1\) Contract](#).

2.4 What happens in the event of an unsatisfactory review of an AIA by the municipality?

The Local Municipality will determine whether the AIA Component One Requirement as well as the AIA Components Two and Three Requirement are completed to their satisfaction. In doing so, they may be informed by OMAFA Guidance or any local considerations which they may deem to be relevant.

Municipalities may have established standards or guidelines which are used for deeming an application complete for development proposals. This is often an iterative process, where Proponents/Suppliers, or their agents, are provided feedback so they can remedy any deficiencies that the Local Municipality view as necessary to address for technical studies.

Should the Local Municipality not initially be satisfied with the AIA Component One Requirement, there is typically an opportunity provided for Proponents to revise their material to address specific aspects.

Proponents/Suppliers are strongly encouraged to consult with the Local Municipality early on to understand their expectations for the completion of an AIA. Further, as a best practice it is recommended that Proponents/Suppliers build in sufficient time for the Local Municipality to receive the AIA Component One Requirement, as well as the AIA Components Two and Three Requirement, and review the material contained within. Some Local Municipalities may elect to have the AIA submitted documentation peer-reviewed; understanding this will help Proponents/Suppliers plan project timelines.

Should the Local Municipality not initially be satisfied with the AIA Components Two and Three Requirement there is typically an opportunity provided to Suppliers to revise their material to address specific aspects; however, in the event that the Local Municipality does not issue Exhibit T: Form of AIA Confirmation Certificate, as set out in section 2.12 (a) of the [LT2\(e-1\) Contract](#) and section 2.13 (a) of the [LT2\(c-1\) Contract](#) this will constitute a Supplier Event of Default as set out in section 2.12 (b) of the [LT2\(e-1\) Contract](#), and section 2.13 (b) of the [LT2\(c-1\) Contract](#). In the event the IESO were to terminate the contract as a result of such Supplier Event of Default, the Completion and Performance Security would be returned to the Supplier.

3. General Questions and Resources

3.1 Who can I contact with questions about agricultural-specific considerations for the LT2 RFP?

For more information, or to speak to a Ministry staff person, please reach out to the Agricultural Information Contact Centre (AICC) at 1-877-424-1300 or ag.info.omafa@ontario.ca

The following additional resources may also be helpful:

[Prime agricultural areas](#)

[Specialty crop areas](#)

[Agricultural Impact Assessments](#)

[Story map](#) for evaluating alternative locations for non-agricultural uses

[Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas](#)

[Agricultural information atlas](#) (AgMaps)

[OMAFRA Guidelines for the LT2 AIA Component One Requirement](#)