

POLICY UPDATE

Policy Update – Advancing Energy, Environmental, Social and Economic Prosperity Advocacy

AMO's Advocacy on IESO Energy Procurements

The Independent Electricity System Operator (IESO) estimates that Ontario's electricity supply capacity needs to increase by more than double over the next 25 years. The Minister of Energy has directed the IESO to conduct competitive procurements for energy generation and storage projects to meet this need. As of February 2024, contracts have been awarded for an expedited round of procurements and applications have closed for the first "long-term" procurement. IESO is seeking feedback from proponents, communities, and other stakeholders on the proposed next long-term procurement.

Energy proponents are required to seek municipal support for their projects. During the previous rounds of procurements, municipalities surfaced questions about proposed projects including difficulty assessing capacity to respond to fires at lithium-ion battery storage facilities, land use planning considerations arising from proposed siting on prime agricultural land, and the future role of gas-fired electricity generation.

AMO has forwarded letters to the <u>Minister of Energy</u> and to <u>IESO</u> outlining proposed policy and process changes recommended for implementation before the next round of procurements. The proposed changes would help ensure that municipalities are better able to make informed decisions about energy projects.

Updates on Environmental Assessments: Modernizing Individual and Municipal Environmental Assessment Processes

On February 16 the Ministry of Environment, Conservation and Parks <u>announced</u> it will implement the move to a project list approach for projects subject to a comprehensive environmental assessment to expedite building critical infrastructure projects, as it will move all highway, rail, and transmission line projects to a streamlined environmental

assessment process. The streamlined processes will continue to have requirements to identify and mitigate environmental impacts and to consult, including with Indigenous communities, prior to implementation. This will be effective February 22.

<u>AMO supports</u> the change as it will help municipalities to build lower-risk infrastructure projects faster by reducing the environmental assessment requirements while allowing municipalities to free up resources for more complex projects.

In addition, the ministry posted for <u>consultation</u> a proposal for a new streamlined environmental assessment regulation for municipal infrastructure that focuses on certain water, shoreline, and sewage system projects. Municipalities and key partners are encouraged to provide comments and feedback on the proposed regulation by March 17, 2024. AMO will submit comments.

Resolutions Update on Social and Economic Prosperity Review

AMO is pleased to see such a positive response so far to our 2024 pre-budget submission calling on the province to conduct a <u>Social and Economic Prosperity Review</u>. Over 50 municipalities have passed a resolution so far!

Municipal councils are encouraged to support ongoing advocacy efforts by:

Highlighting the need for this review when meetings with local MPPs and community members, using key messages included in <u>AMO's pre-budget backgrounder</u>

Passing a <u>council resolution</u> at your next meeting, calling on the province to commit to this review in its upcoming provincial budget

Sharing your support with local media channels using our <u>news release template and social media messaging</u>

Listen to our podcast on social and economic prosperity