



ONTARIO
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ALLIANCE

May 29, 2023

Ms. Lesley Gallinger
CEO, Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto M5H 1T1

Dear Ms. Gallinger:

Re: Need for municipal support resolutions to proceed with gas plant upgrades in Toronto, Brampton and Halton Hills

October 6, 2022 Directive

On October 6, 2022 Ontario's Minister of Energy, Todd Smith, issued a Directive to the Independent Electricity System Operator (IESO) requiring it to procure 4,000 megawatts (MW) of new gas-fired generation and storage capacity.

December 23, 2022 letter

On December 23, 2022 Minister Smith wrote to the IESO re: the need for municipal support resolutions for new generation and storage capacity:

“In recent months, as project proponents look for sites to develop approximately 4,000 megawatts of generation and energy storage, I have heard from multiple municipal councils and other stakeholders that they would like the IESO to be explicit that municipal council support is required for the approval of projects proposed on sites that are located within their boundaries...

Recognizing that... it is the IESO which is responsible for implementing the [October 6, 2022] Directive, it is my expectation that the IESO will be clear about the requirement for a resolution from municipal council supporting a proponent or counterparty with a proposed project located in that municipality, separate and apart from that municipality's permitting and regulatory requirements.

I believe that the submission of a council resolution by a proponent or counterparty to the IESO demonstrating support for the project would be the only basis from which to conclude that an elected council's support on behalf of the municipality has been obtained.”

Brampton City Council Resolution

Last year Capital Power sought Brampton City Council's support for two electricity supply options at its Goreway Generating Station site – Option One being the construction and operation of a battery energy storage system, and Option Two being the construction and operation of a new gas-powered electricity generating unit.

On November 28, 2022 Brampton City Council passed a resolution in support of Capital Power's Option One, but did not support Option Two.

Toronto City Council Resolution

On May 12, 2023 the City of Toronto passed a resolution opposing any new power generation proposal involving increased burning of fossil fuels, including fossil gas, in the City.

IESO Announcement

On May 16, 2023, the IESO announced that it is *securing* 50 MW of additional gas-fired generating capacity at the Portlands' Energy Centre on the Toronto waterfront; 40.4 MW of additional gas-fired generating capacity at the Goreway Station in Brampton; and 31.5 MW of additional gas-fired generating capacity at the Halton Hills Generating Station.

Confirmation that municipal support is a prerequisite for legally-binding contracts for new gas-fired generating capacity in Toronto, Brampton and Halton Hills.

Pursuant to Minister Smith's letter of December 23, 2022, could you please confirm that the IESO will **not** sign legally binding contracts to secure additional gas-fired generating capacity in Toronto, Brampton or Halton Hills in the absence of municipal resolutions in support of these projects?

Yours sincerely,



Jack Gibbons
Chair