

Independent Electricity System Operator
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Toronto, ON
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August 1, 2026

RE: Comments and concerns on Bill 40 and the MPIC process

To: the IESO's CEO, BoD, Executive Team, and the MPIC team,

We recently learned about Bill 40 and the IESO's Major Projects Identification Committee (MPIC) process and want to share our thoughts and concerns.

To start, we are greatly concerned about the Minister's directive to the IESO and OEB to prioritize "economic growth". We would also like to remind the IESO that you are not supposed to be in the business of creating jobs or increasing economic growth. Your job is to provide a **reliable, affordable and sustainable electricity system** in Ontario. We think the Minister's directive to prioritize "economic growth" derails the IESO from its primary mandate. For instance, significantly increasing electricity generated from nuclear and fossil gas in the name of "economic growth" will only increase electricity costs, make Ontario's grid dirtier, and slow the energy transition.

Second, the term "economic growth" is vague and can be interpreted in a way that speeds up industrial development that is not in the interest of Ontarians. We do not want AI data centres in Ontario. For example, the term "economic growth" could result in AI data centres getting faster connections to Ontario's grid. AI data centres are very political. The IESO should not be making it easier for AI data centres to get connected to Ontario's grid, in the name of "economic growth".

Third, the IESO must act in the best interest of all Ontarians and ratepayers by listening to what communities are saying. This speaks more to the purpose and structure of the IESO as a whole. We cannot afford to have a "laissez-faire" approach to development. Having a "first-ready, first-serve" approach could potentially harm communities by putting the interests of developers above those of everyday people. In general, we would like to know if there are any engagement opportunities at the IESO for the public on large loads, like AI data centre connection approvals. If the Project Management Office exists for developers, there should be one for the general public as well. Currently, the energy policy system in Ontario is not a democratic one but instead a developer-first system.

Fourth, on inaccurate forecasting and over procurement. One of the goals of the MPIC is to get early visibility into major projects to help improve long-term forecasting. But how is getting early visibility actually helpful if markets can easily fluctuate and circumstances change (e.g. EV manufacturing, AI data centres, and crypto industries)? This could lead the IESO to overprocure electricity generation and make rushed decisions as some major projects retreat or lose financial steam over time. The MPIC process might also unintentionally incentivise major projects to provide inflated numbers on megawatts to the IESO for negotiation purposes or to their benefit.

Lastly, the MPIC states that project validators will be asked to sign a non-disclosure agreement (NDA) with the IESO to participate in the process. Project validators include municipalities and various ministries within the provincial government. The non-disclosure agreements should not interfere with the ability of municipalities, key decision-makers, and elected officials to talk transparently about AI data centres with their local constituents.

Comments and recommendations:

- The IESO should take the information provided by project developers with a grain of salt and not use the self-reported information to help speed-up development of major projects, including AI data centres and other risky projects. All self-reported information should be fact-checked with multiple third-party sources and account for uncertainty in market trends.
- The total energy demand of all large load industrial facilities should be known and collected by the IESO (i.e. both load and on-site generation). On-site generation should be part of what the MPIC collects through the intake form. This information should be made available in real-time in an accessible, visual format to the public and be specified to at least the municipal level.
- The general public and communities should be consulted when the IESO is reviewing large industrial loads (such as AI data centres above 10MW) as decision-making on approving an AI data centres connections should not be justified by market forces or “economic growth”.
- The IESO must be transparent about how the non-disclosure agreements are structured and ensure that it does not interfere with the ability of municipalities, key decision-makers, and elected officials to talk transparently about AI data centres with their local constituents.
- The IESO must be transparent and have all of its presentations and meetings regarding large loads and on-site generation be published on Youtube.
- The IESO must take a stand to protect Ontario’s electricity system from political interests that only serve a handful of project developers and politicians at the

cost of ratepayers, families, and small businesses.

Thank you for taking the time to read this letter and hearing our concerns. We look forward to hearing your response.

Signatories:

