



Working together with our community

Council-In-Committee Meeting – November 15, 2023

Subject: Proposed Energy Storage Project – Letter of Support
Report Number: CD-23-100
Division: Community Development
Department:
Ward: Ward 5
Purpose: For Decision

Recommendation(s):

THAT Report CD-23-100, Proposed Energy Storage Project – Letter of Support be received for information; and

THAT the following blanket municipal support resolution be signed by the Mayor:

WHEREAS:

1. The Proponent is proposing to construct and operate a Long-Term Reliability Project under the Long-Term Request for Proposals (“**LT1 RFP**”) issued by the Independent Electricity System Operator (“**IESO**”).
2. Norfolk County is the Local Municipality in which the Long-Term Reliability Project is proposed to be located.
3. This Blanket Municipal Support Resolution is intended to express the support of the Local Municipality for the development, construction and operation of the Long-Term Reliability Project, and support for the Long-Term Reliability Project is for purposes of the requirements of the LT1 RFP.
4. The Long Term Reliability Project in question has the following characteristics:
 - a. Project ID: LT1-009-1-2
 - b. Project Name: Simcoe Battery Project
 - c. Proponent: Simcoe Battery Project LP
 - d. Technology of the Project: Battery Electricity Storage Facility

NOW THEREFORE BE IT RESOLVED THAT:

5. The Council of Norfolk County supports the development, construction and operation of the Long-Term Reliability Project on lands within the municipality provided that:

- The site is within an industrial or appropriately zoned area and all the proper development application processes are undertaken;
 - The property is adequately separated from any residential, institutional or sensitive uses and an appropriate landscape buffer is provided around the perimeter of the property;
 - That any road or infrastructure requirements are at the discretion of the proponent;
 - That any infrastructure or use of the site does not have any negative implications for use of municipal lands;
 - That any contamination of the lands resulting from the proponents operations be remediated by the proponent and lands will be returned to their current condition;
 - That appropriate community engagement is conducted, including at least 1 public meeting in the community in which the project is proposed;
 - That the final site and development details be confirmed through Norfolk;
 - That a Risk Mitigation and Fire Safety Plan be prepared, submitted to and approved by appropriate Norfolk departments including emergency response services (e.g., Fire Department); and
 - That a Community Benefit Agreement be negotiated for a minimum contribution over the life of the project towards initiatives that will be benefit Norfolk.
6. This resolution's sole purpose is to enable the Proponent to receive Rated Criteria Points under LT1 RFP or to satisfy its obligations under any awarded LT1 Contract and may not be used for the purpose of any other form of approval in relation to the Proposal or Long-Term Reliability Project or for any other purpose. Rated Criteria points will be used to rank the Proponent's Proposal in relation to other Proposals received by the IESO under the LT1 RFP.

DULY RESOLVED BY THE LOCAL MUNICIPALITY

on the ____ day of _____, 2023.

Discussion:

[NRStor Inc.](#) has contacted staff and elected officials about the potential for locating an energy storage (battery) project within Norfolk. Battery storage or battery energy storage systems are infrastructure facilities that allow energy to be stored when supply is higher than demand, then released back to the grid when demand is higher than supply. Essentially, it would involve long term (20-25 years+) use of roughly 10-15 acres of land with locational criteria involving close connection to transmission corridor(s) and/or station(s).

The proponent was exploring several potential locations within Norfolk, including privately-held lands southwest of Waterford and in Simcoe. NRStor Inc. is in the

process of identifying a preferred location within industrial zoned lands in Simcoe. While the site and additional project details are being confirmed in next steps, to help qualify for a Request for Proposals from the Independent Electricity System Operator (IESO), a specific or blanket municipal support resolution is required. Recently, an energy storage proposal and support resolution was considered in Haldimand.



Figure 1 –Sample Energy Storage Facility (NRStor Inc.)

Any successful project would have to go through an Environmental Assessment and development application process that may be required. Although it is a relatively new land use type, these facilities would be more appropriate in an industrially-zoned area; however, outside of the construction stage may have minimal on-site employment. A number of sites in the Simcoe area are being explored.

Energy investment and security will continue to be a crucial factor into the future, including as Norfolk grows and changes. This facility could provide some benefit to the overall network and potentially assist with future growth and investment here. As part of the municipal support, staff recommend that the proponent enter into a Community Benefit Agreement to outline the ongoing, annual financial contributions to the municipality and initiatives for the community over the life of the facility (20+ years). This is consistent with other municipal examples. The details of any negotiated agreement should be provided through future report to Council for authorization or delegated authority.

Financial Services Comments:

Financial implications arising from the recommendations contained within this report are difficult to quantify at this time but could include the following:

- Depending on the land selected there may be a change in assessment or tax class which could alter anticipated municipal tax revenues.

- The proposed community benefit agreement, if approved, would bring additional revenue to the County which would be used to support initiatives for the community.
- Additional financial implications may be identified as the final site and development details come forward for approval.

Interdepartmental Implications:

Depending upon the site and project details there may be future implications to review.

Fire Department - Currently the fire code does not address this type of operation, and there is very limited information available relating to the risks associated to this size of battery farms in Ontario. The reality is that battery use in future technology and processes will only keep expanding into the future and we as a County will need to stay on the leading edge of the technology to stay relevant in growth of this tech. We will need to prepare appropriately.

Currently from a Fire Department perspective, there are several points to consider:

- Engineered emergency procedures for the operation of the facility
- Details on the firefighting procedures, systems and capacity onsite of the battery facility
- Comprehensive review of the amount of water that will be required to fight any fires in the battery modules of the facility. (lithium batteries take obnoxious amounts of water to cool down). When this has been calculated our water department would need to be consulted to provide input of current and future capacity.
- We would need to do a gap analysis of the Fire Department resources to identify what is required to provide adequate fire protection to the site.

Consultation(s):

N/A

Strategic Plan Linkage:

This report aligns with the 2022-2026 Council Strategic Priority Building Norfolk - Develop the infrastructure and supports needed to ensure complete communities.

Explanation: Infrastructure towards energy security and investment.

Conclusion:

Energy storage facilities could provide some benefit to Norfolk and beyond in the future.

Attachment(s):

N/A

Approval:

Approved By:
Al Meneses, CAO

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