

Feedback Form

LT2-RFP Joint Session, February 22, 2024

Feedback Provided by:

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To promote transparency, feedback submitted will be posted on the LT RFP engagement webpage unless otherwise requested by the sender. If you wish to provide confidential feedback, please mark as "confidential".

Following the February 22, 2024, LT2-RFP joint engagement with Ministry of Municipal Affairs and Housing (MMAH) and Ontario Ministry of Agriculture, Food, and Rural Affairs (OMAFRA) webinar, the Independent Electricity System Operator (IESO) is seeking feedback on items discussed during the webinar. The webinar presentation and recording can be accessed from the LT RFP [engagement web page](#).

Please submit feedback to engagement@ieso.ca by **March 7, 2024.**

Topic	Feedback
<p>What are some considerations if certain technology types were limited, or restricted from being developed on Ontario’s prime agricultural areas?</p>	<p>Ontario has already adopted a robust regime of affirming community consent for clean energy projects through the Municipal Support Resolution (MSR) requirement, atop existing environmental siting and conditions, which include setbacks for air acoustics, and safety. Any further restrictions on siting of clean infrastructure on prime agricultural land – particularly of distribution level assets including energy storage and smart grid technology – would severely impede the objectives outlined in <i>Powering Ontario’s Growth</i>. This policy would put at risk the vision for an affordable energy transition to an emissions-free power system, and in particular, could restrict job creation and economic growth in the province’s premier agricultural regions through shortfalls in electricity supply and/or distribution capacity.</p>
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<p>Given the limited amount of specialty crop areas in the province, how would diverting or restricting energy projects from these areas impact your ability to develop your energy project?</p>	<p>As evidenced by the challenges experienced in securing MSRs by some Battery Energy Storage System (BESS) proponents through the LT1 process, the provincial government and IESO must work with developers to <i>expand</i>, not <i>restrict</i>, siting opportunities.</p> <p>For specialty crops, given the higher energy intensity of the facilities and high geographic concentrations of farms, BESS is an increasingly essential tool to sustain the continued growth of these operations, including both grid-facing and behind-the-meter assets, to provide capacity needs and relieve local grid constraints. Developer partnerships with farmers also offer revenue tools and mitigation from wholesale electricity prices that can significantly improve the economics of continued farming, often allowing greater investments in expanding their core business.</p> <p>Restrictions on BESS placements in specialty crop areas would significantly harm investment into our sector, deprive farmers of revenue streams, and likely reduce the overall growth of these specialty crop operations due to local energy constraints – such as those being experienced in the Kingsville-Leamington area.</p>
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<p>What would the impact be if there were requirements to avoid, minimize and mitigate agricultural impacts in prime agricultural areas?</p>	<p>BESS offers significant capacity value in a limited physical footprint, with most projects resting atop the ground and requiring little or no earthworks, and generally located on the least used sections of farmland (akin to a barn or parking lot). In the vast majority of cases, the assets can be removed at end-of-contract and the soil underneath returned to agricultural operations, if desired by the farmer.</p> <p>ESC would be pleased to work with OMAFRA and the IESO in determining the need for any further requirements on mitigating the minimal impact of BESS installations on farmland.</p>
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<p>Based on what you heard today, do you require additional clarity on agriculture land restrictions? Why or why not?</p>	<p>Yes, we require additional clarity, particularly on any future intentions towards restrictions of clean energy placements on prime agricultural land. Proponents needs clarity on these consideration at the earliest possible opportunity to make informed proposals for the LT2 and subsequent procurements.</p> <p>ESC also believes that more proactive education and engagement may be required with municipalities to help them understand land use requirements, but also better understand the electricity system reliability needs that determine procurements and locational needs of energy infrastructure. The IESO should prioritize communication and education campaigns with municipal staff and councils in areas of the province where new energy infrastructure is likely to be sited. Even during the procurements itself, the IESO should be regularly communicating with the municipalities about the needs associated with projects being proposed in their communities.</p>

General Comments/Feedback

ESC strongly supports the Government of Ontario’s ambitious economic growth strategy, which requires more than doubling the provincial power grid over the next twenty-six years. This expansion will enable the continued growth of all sectors of the economy, including farming and energy intensive greenhouses. These sectors – particularly in fertile Southwestern Ontario – already face

some the greatest challenges from power grid constraints, often due to minimal grid density and advanced age of local Tx and Dx assets.

Energy storage and other smart grid technologies are a solution, not an impediment, to the success of Ontario's agricultural economy. In fact, farmers are the foremost partners and beneficiaries of BESS placements across the province. We strongly support their right to make active, informed decisions about the most efficient use of their property, along with the consent of their local communities, as expressed through MSRs.

It is important to remember that siting for energy projects is already exceptionally challenging in Ontario. When taking into account local zoning and setback preferences, setbacks now implemented for transmission infrastructure, deliverability considerations from the IESO, acoustics considerations to meet permitting requirements, etc., these policies will cumulatively increase costs for consumers, and send a further message to industry that it is difficult to do business in Ontario.

Further restrictions could also mean lost revenue for local communities through taxes and community benefit sharing agreements. Local property owners and municipalities often benefit from tax revenues and community impact benefit agreements. These funds tend to go towards community infrastructure and defer costs that taxpayers would end up having to pay for. Placing restrictions on the small footprints of BESS and other smart grid technologies would do nothing to address the substantial threats facing Ontario's farmers from climate change, droughts, floods, crop diseases, and urban boundary expansions. These restrictions would impede farmers' ability to secure reliable energy, additional sources of income, and accelerate the clean energy transition towards a more sustainable economic growth model.