

# Municipality of Lakeshore – Report to Council

## Chief Administrative Officer

### Economic and Intergovernmental Affairs



**To:** Mayor & Members of Council

**From:** Ryan Donally, Division Leader – Economic and Intergovernmental Affairs

**Date:** September 6, 2023

**Subject:** Municipal Support Resolution Request – Boralex / Tilbury Battery Storage INC.

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### Recommendation

Whereas the Proponent, Tilbury Battery Storage Inc., is proposing to construct and operate a Long-Term Reliability Project Tilbury Battery Storage at the Project Site which is located on the Subject Lands described as 22100 Lakeshore Road 303, Lakeshore, N0P 1L0, CON 2 PT LOTS 21 & 22 REG 53.00AC FR D CON 2 E PT LOT 21 W PT LOT 22 18.36AC FR D in the Municipality of Lakeshore in accordance with the Independent Electricity System Operator's (IESO) E - LT1 and LT1 Request for Proposals process;

And whereas the Long-Term Reliability Project will use the Technology which is Battery Energy Storage and the Project is expected to have a Maximum Contract Capacity of 80 MW;

Now therefore the Council of the Municipality of Lakeshore resolves that:

The Municipality of Lakeshore supports the development, construction and operation of the Long-Term Reliability Project on the Subject Lands; Council supports the Tilbury Battery Storage project by Tilbury Battery Storage Inc., a subsidiary of Boralex Inc.

This resolution's sole purpose is to enable the Proponent to receive the required E-LT1 obligations under any awarded E-LT1 or LT1 Contract and may not be used for any other form of approval in relation to a proposal or Long-Term Reliability Project, planning approval, to satisfy environmental requirements or the process, or for any other purpose; and

This approval is subject to individual Environmental Assessment reviews and land use planning review and approval pursuant to the *Planning Act*, all as presented at the September 12, 2023 Regular Council Meeting.

## **Background**

The Minister of Energy directed the Independent Electricity System Operator (IESO) to procure 4,000 megawatts (MW) of power to be secured through a competitive bid process. This directive generated significant demand for battery energy storage systems (BESS) in the Municipality.

Administration brought forward a report for information on December 13, 2022 that described the potential proposals that would be applying to the Request for Proposals through the IESO competitive bid process.

On February 14, 2023, Council provided direction to provide Municipal Support Resolutions (MSR) to four companies in advance of the contract awarding from IESO. Tilbury Battery Storage Inc., a subsidiary of Boralex Inc., was not awarded an MSR at that time.

In May of 2023, Tilbury Battery Storage Inc. was selected by the IESO as part of its Expedited Long-Term Request for Proposals for storage capacity.

## **Comments**

Tilbury Battery Storage is a 80 MW, four-hour duration battery storage project in the Municipality of Lakeshore, Ontario. The project is proposed by Tilbury Battery Storage Inc., a subsidiary of Boralex Inc. in partnership with the Walpole Island First Nation.

This project was selected by the Ontario Independent Electricity System Operator (IESO) as part of its Expedited Long-Term Request for Proposals (RFP) for storage capacity.

Once constructed, the project will help meet the energy capacity need identified by the IESO and benefit the overall Ontario electricity system. Commercial operation of the project is planned for late 2025.

The Tilbury Battery Storage project will consist of containerized batteries, inverters, medium voltage transformers, gravel internal access roads, buried collector and communication cabling, and a small transmission substation. The layout of the infrastructure within the project's footprint has yet to be confirmed and will be determined through additional engineering studies, equipment procurement, and an environmental assessment. The project will connect to existing HONI infrastructure via a direct tap connection located on the project site.

The project will provide reliable power capacity by drawing and storing energy from the grid during off-peak periods and releasing it back to the Ontario grid when energy demand is at its peak. The project is expected to provide significant benefits to Ontario's ratepayers by reducing the need and cost associated with using gas-fired power plants during times of peak demand as well as helping to clean Ontario's electricity system.

## Financial Impacts

It is expected that a Community Benefit Agreement will be negotiated and agreed upon prior to finalized approvals from administration.

To mitigate any potential road-user and permit issues, Tilbury Battery Storage Inc. will work with Lakeshore staff to ensure the road entering the proposed site is upgraded and a road-user agreement and all permits are completed.

## Attachments

Appendix A – Tilbury Battery Storage Location Map

## Report Approval Details

Document Title:	Municipal Support Resolution Request – Boralex / Tilbury Battery Storage INC.docx
Attachments:	- Appendix A Tilbury Battery Storage Location Map.pdf
Final Approval Date:	Sep 7, 2023

This report and all of its attachments were approved and signed as outlined below:

Prepared by Ryan Donally

Approved by Justin Rousseau