MUNICIPALITY OF
ARRAN-ELDERSLIE

Staff Report

Council Meeting Date: January 27, 2025

Subject: CAO.2025-03 Tara BESS Project – Information

Report from: Emily Dance, Chief Administrative Officer

Attachments:

Recommendation

Be It Resolved that Council hereby receives for information Report CAO.2025-03 - Tara BESS Project Information.

Background

The Independent Electricity Systems Operator (IESO) is responsible for managing the flow of electricity across Ontario and ensuring its reliability. It also oversees Ontario's electricity markets by driving competition to maintain affordability.

In 2022 in response to increased demand from expanding electrification the IESO led the largest energy storage procurement ever in Canada, known as the "E-LT1" and the "LT1" Request for Proposals, which resulted in 26 proposed principal use Battery Energy Storage System (BESS) projects throughout the province with a total capacity of 2,916 megawatts.

As part of the LT1 Request for Proposal (RFP), projects were required to obtain a Municipal Support Resolution (MSR) from Municipal Councils. A Municipal Support Resolution is the mechanism by which the IESO authorizes municipal governments to endorse energy projects that "align with their strategic goals and priorities". They are general in nature and do not preclude projects from having to meet municipal regulatory requirements or obtain any municipal development approvals or permits.

On August 14, 2023 (amended on October 23, 2023) Council passed an MSR for Shift Solar, Grey Owl (now known as Tara BESS) Storage Project for a 400 MW Long-Term Electricity Battery Storage Facility at 39 Concession 4 in Arran-Elderslie.

The resolution's sole purpose was to enable the Proponent to receive rated criteria points under LT1 RFP or to satisfy its obligations under any awarded LT1 Contract

and it may not be used for the purpose of any other form of approval in relation to the Project or for any other purpose.

In May 2024, Tara BESS was awarded a 20-year energy storage contract by the IESO through the IESO's Long-term 1 (LT1) RFP procurement.

Tara BESS provided a project update to Council on December 9, 2024 as well an update to County of Bruce Council on January 9, 2025.

A public open house was planned for January 21, 2025 at the Tara Community Centre from noon until 2 p.m. and 6 to 8 p.m.

Analysis

As noted, the Municipal Support Resolution does not approve the project. The Proponent must meet additional obligations listed in their contract including a Class Environmental Assessment (EA) for Transmission Facilities which requires:

- Aquatic Habitat Assessment
- Ecological Land Classification and Vegetation Surveys
- Breeding Bird Surveys
- Breeding Amphibian Surveys
- Bat Habitat Assessment (Maternity Roost Surveys)
- Noise Impact Assessment
- Archaeological Assessment
- Agricultural Impact Assessment

Additionally, as part of their contract, the proponent will require Project Permits and Approvals for:

- Environmental Compliance Approval for Stormwater
- Species-at-Risk*
- Environmental Activity Sector Registration (noise)
- Archaeology Clearance Letter
- Approved Soil and Excess Materials Management Plan*
- Ontario Endangered Species Act Sec.17 approval*
- Regulation 41/24 Approval from Grey Sauble Conservation Authority

Land Use Planning

Battery Energy Storage Systems (BESS) are classified into two categories:

- principal use
- accessory use

Energy storage systems are considered principal uses when the activity of drawing, storing, and discharging electricity is main function of the site and they are typically sited close to the transmission and distribution networks for ease of connection to supply electricity to the grid. These are commonly built as outdoor storage facilities with rows of individual storage containers that look like shipping containers. Once constructed, they require only routine maintenance and can be monitored remotely.

BESS, as an accessory use, supports one or more buildings as well as utility installations such as a substation. They serve to supplement the specific power needs of a site and also provide energy resiliency in the event of power outages. BESS are also well-suited to handle the intermittent nature of renewable energy generation facilities such as wind and solar farms.

For the Tara BESS project an amendment to the County of Bruce Official Plan and the Arran-Elderslie Comprehensive Zoning By-law is required to address BESS as a principal use, which is proposed to connect to the electrical transmission or distribution grid network by a regulated utility or a third-party.

As part of the process, Tara BESS will be required to submit a flood plain study to the satisfaction of Grey Sauble Conservation Authority and the County of Bruce, an Archaeological Assessment to the satisfaction of Saugeen Ojibway Nation, an agricultural impact assessment, hazard monitoring plan, a screening/fencing plan, justification report and a few others.

The project will also be under Site Plan Control, where the Municipality will have the opportunity to request further reports including a Community Engagement Plan, Emergency and Fire Safety Plan, Community Benefit Agreement, Municipal Access Agreement, and Decommissing Plan.

Link to Strategic/Master Plan

6.1 Protecting Infrastructure, Recreation and Natural Assets

Financial Impacts/Source of Funding/Link to Procurement Policy

There are no financial impacts associated with this report.

Approved by: Emily Dance, Chief Administrative Officer