

**County Official Plan Amendment &
Township Zoning By-Law Amendment**
6235 Guelph Street, Centre Wellington

File no. 23405A

PLANNING JUSTIFICATION REPORT

PREPARED FOR:
Elora BESS LP (Aypa Power)

September 6, 2024

Your Vision

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MHBC - MacNaughton Hermesen Britton Clarkson Planning Limited
200-540 Bingemans Centre Drive Kitchener, ON N2B 3X9

T: 519 576 3650

F: 519 576 0121

www.mhbcplan.com



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1.0 Introduction

MHBC Planning has been retained by Elora BESS LP (Aypa Power) to provide planning support for a proposed Battery Energy Storage System (BESS) to be located at 6235 Guelph Street, Township of Centre Wellington. Aypa Power is an Independent Power Producer, specializing in energy storage and renewable energy projects across North America. They are proposing to establish a BESS facility on a portion of the subject property. The intent of this BESS facility is to support Ontario's electricity reliability needs as the Ontario electricity system transitions to fossil free energy generation and the nuclear generation fleet undergoes refurbishment.

The Independent Electricity System Operator (IESO) is the provincial grid operator that manages the power system and plans for future capacity needs. Existing energy generation facilities in Ontario will be undergoing refurbishment, upgrading, and in some cases retirement. The electricity demand is increasing due to growth of sectors such as greenhouse production, steel manufacturing, and electrification of industries and transportation. This will result in greater demand and a lesser supply of energy. In order to address the forecasted capacity shortage, the IESO is procuring non-storage and storage assets including BESS facilities that will store energy and release it back into the grid to help with the reliability needs. The IESO has secured energy storage projects across Ontario through the Long Term 1 Procurement (LT1) program, and has secured 2,195 megawatts of contract capacity. On June 6, 2024 the Elora BESS project was awarded a contract by IESO through LT1 for a contract capacity of 200 megawatts (210mw of nameplate capacity).

Aypa Power is proposing to lease a portion of the subject property at 6235 Guelph Street and establish a BESS facility. This facility is expected to have a lifespan of approximately 25 years. The subject property has been selected based on its proximity to the transmission line, and deliverable capacity of the transmission line to handle the energy withdrawn and injected by the BESS, as qualified through a deliverability test conducted by the IESO.

The subject property is currently designated "Prime Agricultural" in the Wellington County Official Plan and is zoned "Agricultural (A)" in the Township of Centre Wellington Zoning By-law 2009-045. The proposed use is not currently permitted in the land use designation or zoning. In order to facilitate the proposed use, both an Official Plan amendment and Zoning By-law amendment are required. The intent of the amendments is to add site specific exceptions to permit the establishment of a battery energy storage facility on a portion of the subject property.

At the time of writing this report, BESS are not permitted in the Prime Agricultural designation. However, on October 20, 2024 the new Provincial Policy Statement (2024) will come into effect. The new PPS includes updated policies for permitted uses in prime agricultural areas, allowing energy storage systems as on-farm diversified uses. While BESS are not currently permitted in Prime Agricultural Areas in the County Official Plan, they will be permitted by October 20, 2024, at which time no Official Plan Amendment will be required. A Zoning By-law Amendment will still be necessary to implement the proposed BESS.

A pre-submission consultation meeting was held with the County and Township on April 24, 2024 to review the proposed development and determine planning application requirements.

As part of the LT1 procurement process, several criteria were to be met, including a Municipal Support Resolution (support letter) from Township Council. The Township of Centre Wellington issued this letter in December of 2023. Additionally, the Elora BESS project is undergoing a Class Environmental Assessment, which includes the completion of several technical studies. The following is a complete list of all the studies that will be completed in support of the BESS project:

- Planning Justification Report
- Agricultural Impact Assessment
- Archaeological Assessment
- Geotechnical Study
- Hydrogeological Study
- Stormwater Management Plan
- Noise Study
- Natural Heritage Site Assessment
- Phase I ESA
- Cultural Heritage Assessment Report (underway)

This report satisfies the requirement for the Planning Justification Report for the required Planning Act approvals and includes a summary of the other supporting technical reports. This report and the accompanying studies should be read and reviewed in conjunction with one another.

2.0 Overview of Subject Property

The subject property is addressed as 6235 Guelph Street, Township of Centre Wellington. A location map is included as **Figure 1**. The property is located at the south-east corner of Guelph Street and 2nd Line, south of the Settlement Area of Fergus. The property has a total area of 43 hectares (106 acres) with approximately 420 metres of frontage on 2nd Line and 1,000 metres of frontage on Guelph Street. The property is in agricultural use. It is the intent that Aypa Power will lease approximately 6 hectares (15 acres) of the northeast portion of the property to accommodate the facility. The BESS will have access off of 2nd Line and setback approximately 182 metres from the road. The balance of the property will remain in agricultural use.

Currently, the immediate surrounding area is generally characterized as agricultural and peri-urban. Abutting the property to the north and opposite 2nd Line is the settlement area and urban boundary of Fergus (Policy Area PA1-16), which is

planned for residential uses. To the east, the property abuts a landscape business (Grand River Natural Stone), and to the west and south are agricultural uses.

A transmission line bisects the subject property and is adjacent to the proposed area for the BESS. A map of the transmission line is included as **Figure 2**. BESS facilities must connect to existing transmission corridors, and the transmission corridor it connects to must be able to carry electricity across the Province (i.e. is well connected to the broader grid). The D6V transmission line on the subject property that the BESS would connect to is a 230kV line, which extends from Kitchener to Orangeville and delivers power to the major load centers in Southwestern Ontario. This is a key transmission line that has a high voltage carrying capacity and connects to other lines across Ontario. As a result, this transmission line is ideally suited for a BESS project.



Figure 1 Context Map

6235 Guelph St.
Township of Centre Wellington
Wellington County

LEGEND

- Subject Lands
- Project Area
- Potential Access Road
- Buffer (400m and 800m)
- Settlement Areas
- Park
- Significant Wooded Areas (Official Plan)
- Transmission Line
- Grand Valley Conservation Authority

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Figure 2
Transmission
Corridor Map

LEGEND

★ Subject Lands

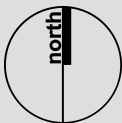
	500 kV
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6235 Guelph St.
Township of Centre Wellington
Wellington County



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3.0 Proposed Development

3.1 Energy Storage Use Defined

Traditional electricity systems require energy to be distributed as it is generated. In recent years, there has been a rise in the advancement of energy storage systems, which allow electricity to be saved or stored until it is needed, rather than distributed immediately. This is a more sustainable way to operate electricity grids as power generation does not need to be matched with real-time energy demand. Rather, energy can be stored (when demand is lower) and released when demand is greater. There are various types of energy storage. The proposed development is battery storage (BESS), which use lithium-ion batteries. The batteries receive electricity from the power grid or generating facility and store it, conserving the energy until it is needed. BESS facilities are temporary uses and typically have a lifespan of 25 years, at which point the batteries are no longer effective. The proposed BESS will be a privately owned and operated facility, controlled by the IESO (under contract) at the directive of the Ontario Ministry of Energy. From a provincial land use perspective, energy storage currently falls within the infrastructure definition. Under the current Provincial Policy Statement 'infrastructure' is defined as:

"physical structures (facilities and corridors) that form the foundation for development.

Infrastructure includes: sewage and water systems, septage treatment systems, stormwater management systems, waste management systems, electricity generation facilities, electricity transmission and distribution systems, communications/telecommunications, transit and transportation corridors and facilities, oil and gas pipelines and associated facilities."

The BESS facility in the context of the province is considered infrastructure. Furthermore, the new Provincial Policy Statement (2024) which comes into effect October 20, 2024, has been updated to include a definition of energy storage systems: "means a system or facility that captures energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production, including for example, flywheels, pumped hydro storage, hydrogen storage, fuels storage, compressed air storage, and battery storage."

The County of Wellington Official Plan does not have a definition or classification that energy storage uses fall within. However, under the Industrial land use designation public and private utilities are permitted. Similarly, the Township Zoning By-law permits public utilities in the Industrial zones (there is no reference to private utility in the By-law). The BESS facility in the context of the County is considered an industrial use.

3.2 BESS Facility

BESS facilities are largely comprised of lithium-ion batteries, and vary in size. A battery unit's typical appearance and scale is similar to a shipping container (6 metres long, 2.4 metres wide, and 2.9 metres high). They typically sit on slab foundations. The BESS facility also requires inverters, which are separate from the battery, and convert the electricity current from direct current (DC) to alternating current (AC) (i.e. converts it to a grid-compatible current). A substation is required which adjusts the voltage of the electricity before connecting to the transmission line. The batteries will have 211 MW capacity with 4 hours of energy storage. The BESS facility will be monitored remotely, with staff on-site on an 'as needed' basis. There will be approximately six full-time employees once the facility is running, as well as up to 300 jobs during construction.

There will be some below-grade infrastructure required, including underground medium-voltage cabling, underground electrical grounding-grid, and the spill containment facility around the main transformer (similar to any electrical substation). There will also be some site lighting required. There will be motion lights at the site entrance, motion lights at select locations along the project driveway, and shielded directional downcast night lights at the project substation.

Figure 3 is a conceptual site plan for the proposed development. Approximately 6 hectares will be leased from the property owner for the project. It is the intent that the project area be returned to an agricultural use when the BESS is terminated. While approximately 6 hectares will be leased, only a portion of this, around 4 hectares, will be developed with the BESS infrastructure. The balance of the lands would be used for landscaping/buffering and stormwater

management purposes, and will continue to be farmed.

The proposal includes a setback of approximately 182 metres from 2nd Line, which will be landscaped in order to screen the facility from public view and will continue to be farmed. A 9 metre side yard setback is proposed to the abutting property to the east which will also be landscaped. A gravel driveway will be connected to 2nd line that will provide vehicular access to the batteries. The portion of the project area to accommodate the BESS will be fenced, and the driveway will include a security gate at the entrance of the facility. The substation will bconnect to the transmission corridor, located to the rear of the BESS . The conceptual site plan illustrates the following components:

- Approximately 200 batteries and 64 inverters
- Over time, the batteries will lose capacity, and augmentation batteries will be required to ensure capacity is maintained (these are noted in orange on the site plan)
- To the rear of the project area will be an interconnection substation, which will occupy 1 hectare (2.4 acres)
- A reservoir is required to be located on site as part of the emergency response plan in the form of a water tank. The underground water tank will be in front of the project area at the entrance gate
- A stormwater management facility is needed to address drainage and storm outflow. A stormwater pond is proposed to be located adjacent to 2nd Line and will be a dry type to reduce the required size

- Detailed design of the pond will be completed during the site plan approval process

The final site plan design will be completed once Environmental Compliance Approval is obtained, and the BESS equipment selection and procurement process is finalized. Therefore, minor changes to the site plan may take place.

The facility will be designed to have a 25 year lifespan. The IESO contract begins the day the BESS facility is fully functional (target is May 2027) and ends April 30,

2048. There is no option to extend the contract, however, it is expected that the BESS will still be operational as it is planned to have operational capacity until 2052. It is expected that the facility will continue to support the grid as a merchant supplier to the IESO market until the facility is decommissioned. At the time of the decommissioning, the project area will be rehabilitated to agricultural use.

3.3 Planning Applications

3.3.1 Official Plan Amendment

The subject property is designated in the County Official Plan as "Prime Agriculture". The proposed use is considered a utility use in the Official Plan. Utility uses are not currently permitted in the "Prime Agriculture" designation. Therefore, an amendment to the Official Plan is required to add a site specific policy in the Prime Agricultural designation to permit the BESS as a limited non-agricultural use in a prime agricultural area.

As noted, a new Provincial Policy Statement will take effect on October 20, 2024 which includes an updated definition for on-farm diversified uses. The new definition permits energy storage systems as on-farm diversified uses in prime agricultural areas. The Official Plan permits secondary uses in the Agricultural designation. Secondary uses are the equivalent to the provincial term 'on-farm diversified uses', based on a previous yet similar concept. The new draft Official Plan has replaced the outdated terminology of secondary uses to on-farm diversified uses. Therefore, as of October 20, 2024, no County Official Plan Amendment will be required for this type of use.

3.3.2 Zoning By-law Amendment

The subject lands are zoned "Agricultural (A)" in Zoning By-law 2009-045. The Zoning By-law does not permit utility uses in the agricultural zone. Similar to the Official Plan, an amendment to the Zoning By-law is required to add a site specific regulation to permit the BESS on a portion of the property.

On-farm diversified uses are permitted in the Agricultural zone, up to a maximum of 2% of the total lot area, and no greater than 1 hectare. The proposed BESS facility will occupy more than 2% of the total farm property. Therefore, despite the 2024 PPS, an amendment to the Zoning By-law will still be required to permit an on-farm diversified use to occupy more than 2% of the property.

3.3.3 Site Plan Control

The proposed development is subject to site plan control approved by the Township. A future site plan application will

be submitted which will include more specific details on the design of the BESS on matters such as landscaping, lighting, grading/servicing and agricultural restoration.

3.3.4 Class Environmental Assessment

The Elora BESS project is subject to the Class Environmental Assessment for Minor Transmission Facilities (MTF Class EA) (Hydro One 2022), which has been approved under the Ontario Environmental Assessment Act (Government of Ontario 1990a). In November 2023 Aypa began the Class Environmental Assessment process (Class EA) under the Ontario Environmental Assessment Act. The following studies have been completed, as part of the Class EA:

- Land Use Review
- Natural Heritage Site Assessment
- Noise Assessment
- Archaeology Assessment
- Cultural Heritage Screening

Figure 3
Conceptual Site Plan

6235 Guelph St.
Township of Centre Wellington
Wellington County

LEGEND

Parcel Boundary

Project Boundary

24' Internal Road

Proposed Fence

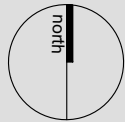
Assumed Setback

Substation Location



Notes:
- Measurements for building setbacks and street frontage are in metres and only approximate
- Basemap: 2022 Region of Waterloo Satellite Imagery

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4.0 Technical Reports

4.1 Phase 1 Environmental Site Assessment

Stantec Consulting Ltd. conducted a Phase I Environmental Site Assessment (Phase I ESA) at the location of the proposed project site. The purpose of the Phase I ESA is to evaluate the area for environmental contamination at the site. The Phase I ESA has revealed no evidence of environmental contamination associated with the Site. No further environmental investigations have been recommended.

4.2 Cultural Heritage Assessment

Stantec Consulting Ltd. is currently completing a Cultural Heritage Screening Report (CHSR). The CHSR follows the Ministry of Citizenship and Multiculturalism's (MCM) Criteria for Evaluating Potential for Built Heritage Resources and Cultural Heritage Landscapes (2016). The CHSR aims to identify known and potential built heritage resources or cultural heritage landscapes within the 120 metres of the project site and provide recommendations for further cultural heritage reporting. Based on the review of applicable background data, historical mapping,

available imagery, and consultation with regulatory bodies, two potential built heritage resources have been identified in the Study Area. Conclusions are not final and Stantec is currently completing additional analysis.

4.3 Natural Heritage Site Assessment

Stantec Consulting Ltd. completed a Natural Heritage Assessment of the project area to identify potential natural heritage features to be considered during development. The assessment concludes that the eastern boundary of the property included treed hedgerows, which may provide habitat for bats (species at risk). It is recommended that a 5 metre buffer be maintained around the trees. Other natural heritage features were identified such as waterbody and watercourse, and other habitat, but these are outside of the project area and are not expected to be affected by the proposed project. The aquatic features (i.e. watercourse and waterbody) are also associated with the GRCA Regulated Areas, however, the proposed development is not expected to occur within these Regulated Areas, as such approval from the GRCA is not required. Therefore, authorization or permitting requirements under the ESA are not anticipated.

4.4 Agricultural Impact Assessment

MHBC Planning Ltd. Completed an Agricultural Impact Assessment for the proposed BESS facility, to determine if the proposed facility will adversely impact agricultural lands and identify mitigation measures, as required. The assessment concludes that the proposed BESS will not have negative impacts on the long-term agricultural uses and operations on the subject lands or immediate surrounding area. No recommendations or additional mitigation measures are required. The AIA provides recommendations on the agricultural restoration of the lands when the facility ceases to exist.

4.5 Archaeological Assessment

Stantec Consulting Ltd. completed a Stage 1-2 archaeological assessment in support of the proposed Elora BESS project. The Stage 1 archaeological assessment evaluated the study area to have archaeological potential to support Stage 2 archaeological assessment. During the Stage 2 archaeological assessment, the study area was subject to pedestrian survey at 5 meter intervals. No archaeological resources were identified. Based on Stage 1-2 archaeological assessment results no further assessment is required. The report has been submitted to the province to be entered into the *Ontario Public Register of Archaeological Reports*.

4.6 Noise Feasibility Study

Aypa Power engaged Stantec Consulting Ltd. to assess the noise emissions from the

proposed Elora BESS project. The Noise Feasibility Study assesses the impact of the project stationary noise sources on the surrounding noise sensitive land uses. The noise sources considered include battery energy storage units, electrical inverters and transformers. The study recommends noise attenuation measures for the inverters to comply with the province's NPC-300 noise limit criteria. The noise study will be updated through the detailed design phase.

4.7 Geotechnical Study

McIntosh Perry Consulting Engineers Ltd completed a scoped geotechnical investigation for the BESS facility on the subject property. The purpose of the scoped report was to determine the subsurface and groundwater conditions at the proposed project site. Based on the information obtained, the geotechnical characteristics of the subsurface soils were estimated, and site conditions described, to provide geotechnical recommendations for the foundation elements of the Elora BESS structures including foundations, drainage, excavation support and lateral earth pressures, and backfill for buried services and utilities. More comprehensive geotechnical study will be completed later in the project development stage.

4.8 Hydrogeology Study

Egis Canada Ltd. completed a preliminary groundwater assessment for the proposed development and construction. The estimated short-term dewatering rates are expected to be

less than 50, 000 L/day and less than 400,000 L/day for each excavation, therefore an application for an

EASR (Environmental Activity and Sector Registry) and/or PTTW (permit to take water), stipulated by the MECP, will not be required. Further analysis may be completed later in the project development stage.

4.9 Stormwater Management Plan

A conceptual stormwater management plan has been prepared by Stantec Consulting Ltd. A dry pond is proposed on the subject lands. A grassed swale will convey runoff to the pond. Water quality controls will be provided via a combination of the dry facility and grassed swale within the site. Erosion and sediment controls will be provided during construction to mitigate sediments offsite during construction. A containment pit will be provided for the transformer to collect and treat oil discharge in contaminated runoff. The detailed design of the stormwater management strategy will be determined during the site plan stage.

5.0 Public Consultation

The Planning Act (specifically O. Reg 544/06, amended by O. Reg. 178/16) requires that applicants submit a proposed strategy for consulting with the public with respect to an application as part of the 'complete' application requirements. This section summarizes the proposed Public Consultation Strategy.

We propose that the public consultation process for the applications follow the Planning Act statutory requirements. We may also hold an informal public meeting early in the process, prior to a statutory public meeting.

The following points of public consultation are proposed:

- A statutory public meeting advertised by the Township and heard by Council.
- Direct written responses to comments raised through the public consultation process will be provided to Township Staff for their review and consideration in the preparation of a Township Staff Report.
- An informal public meeting organized by MHBC (optional, depending on comments received).
- Preparation of a Township Staff Report, with the Report to be available to the public in advance of

Township Council's consideration of the application. It is understood that Township Staff will post information on the Township's website for public review. This will include the Township Staff Report and may also include technical studies and reports prepared in support of the applications.

- A Council Meeting, at which time the Township Staff Report, all available information, and public input will be considered in Council's final decision.

In addition to the statutory requirements, the LT1 RFP process required proponents to engage with community members and obtain municipal support resolutions. In the fall of 2023 Aypa Power completed community engagement with local residents to provide information on the proposed project, answer questions, and receive feedback. Aypa Power also established a project website (elora.aypa.com) where resources, FAQ, and contact information is posted. The consultation with Indigenous Communities is currently in progress through the Class EA process. In the fall of 2023, Council of the Township of Centre Wellington issued a support resolution for the proposed BESS facility.

6.0 Planning Policy Overview

6.1 Provincial Policy Statement, 2020

6.1.1 Overview

The Provincial Policy Statement, 2020 (PPS) was issued by the Province of Ontario in accordance with Section 3 of the Planning Act and came into effect on May 1st, 2020. The PPS establishes the policy foundation for regulating the development and use of land, as well as provides direction on matters of provincial interest related to land use planning and development. Note that the current PPS (2020) will remain in effect until October 20, 2024, at which point a new PPS (2024) will replace the 2020 version. An overview of the new PPS is provided in section 6.2 of this report. The following reviews the proposed use in the context of the current policy framework at the time of making this application.

The 2020 PPS delineates a vision for land use planning in Ontario that encourages both an efficient use of land, resources, and public investment in infrastructure and a diverse mix of land uses in order to provide choice and diversity to create complete communities. The PPS strongly supports development that will provide long term prosperity, environmental health and social wellbeing. All planning decisions

made on or after the effective date must be consistent with the PPS.

The PPS provides definitions on two overarching land categories: settlement areas and rural areas.

- **Settlement Areas:** urban areas and rural settlement areas including cities, towns, villages and hamlets.
- **Rural Areas in Municipalities:** a system of lands including rural settlement areas, rural lands, prime agricultural areas, natural heritage and resource areas.

The subject property is located in a Rural Area and consists of Prime Agricultural Area.

6.1.2 Agricultural

Section 2.3 of the PPS speaks to the agricultural policies. Prime Agricultural Areas are areas where Prime Agricultural Lands predominate, including Canada Land Inventory Class 1, 2, 3 lands as well as Class 4 through 7 lands. Prime Agricultural Lands are specialty crop areas or CLI Class 1 through 3 lands. The subject property is considered a Prime Agricultural Area.

Section 2.3.3 of the PPS outlines the permitted uses in Prime Agricultural Areas, which includes agricultural uses, agricultural related uses, and on-farm

diversified uses. Non-agricultural uses can be permitted in Prime Agricultural Areas. Section 2.3.6 of the PPS sets out the policies for non-agricultural uses in Prime Agricultural Areas. Specifically, non agricultural uses may be permitted in Prime Agricultural Areas for:

- a) *extraction of minerals, petroleum resources and mineral aggregate resources; or*
- b) *limited non-residential uses, provided that all of the following are demonstrated:*
 - 1. *the land does not comprise a specialty crop area;*
 - 2. *the proposed use complies with the minimum distance separation formulae;*
 - 3. *there is an identified need within the planning horizon provided for in policy 1.1.2 for additional land to accommodate the proposed use; and*
 - 4. *alternative locations have been evaluated, and*
 - i. *there are no reasonable alternative locations which avoid prime agricultural areas; and*
 - ii. *there are no reasonable alternative locations in prime agricultural areas with lower priority agricultural lands.*

These policies are informed by the "Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas – Publication 851" (discussed in section 5.3 of this report). The proposed use of the property is considered to be a limited non-residential use in accordance with policy 2.3.6 (b) of the PPS. The "Guidelines on Permitted Uses" identify permitted uses of limited non-residential uses as: commercial, industrial, institutional, and recreational. As previously noted, the County and Township consider BESS's as an industrial use. Therefore, based on provincial policies, the proposed use of the property is permitted as a limited non-residential use that falls within the industrial land use category.

The following is an analysis of the proposal's conformity with the criteria for permitting limited non-residential uses, per section 2.3.6(b) of the PPS.

- 1. *The land use does not comprise a specialty crop area*

The subject property does not comprise specialty crop areas. The province defers to Municipalities for identifying specialty crop areas. The County Official Plan does not identify the property as specialty crop. The proposal therefore does not impact specialty crop areas. The proposal is in conformity with this criterion.

- 2. *The proposed use complies with the MDS formulae*

Minimum Distance Separation (MDS) is informed by the Province's MDS Document, Publication 853 which provides guidance on the implementation of MDS I and II. The

proposed use would be subject to MDS I which is applied to new development relative to existing livestock facilities. As noted in section 4.2 of this report, energy storage falls under the PPS definition of infrastructure as it transmits and distributes electricity. Publication 853 uses the same definition of infrastructure and provides under guideline #3 that MDS I is not required for infrastructure uses. Therefore, MDS compliance is not required for the proposed use. This criterion is not applicable.

3. There is an identified need within the planning horizon for additional land to accommodate the proposed use

The IESO's 2024 Annual Planning Outlook forecasts that Ontario's total electricity demand will increase by 60 per cent over the next 25 years. In order to address the energy forecast, the IESO has secured contracts with private battery storage facilities through LT1 across Ontario. The Outlook identifies that with these contracts, as well as additional actions, energy needs will be met this decade.

BESS, like all infrastructure utility, are regulated with technical siting requirements that must be met in order for them to be effective. The BESS must connect to the existing grid, and to transmission lines with adequate carrying capacity to accommodate the charging and discharging of the batteries. Additional siting requirements are necessary for the electricity to reach

more remote or rural areas of the province. There are few transmission lines with connections to rural areas, which places further limitations on suitable lands to accommodate BESS. The proposed BESS siting requirements include proximity and ability to connect to the D6V line, as well as interconnections to other transmission corridors. The D6V line runs through the Township of Centre Wellington, and connects to other transmission lines across Ontario.

There are no lands available within the urban area of the County or Township that provides direct access to the D6V line. All lands in the Township with proximity to the D6V line are generally within the agricultural designation. Not only is there an identified need for energy storage, there is a need for the land to accommodate these facilities.

4. Alternative locations have been evaluated and there are no reasonable alternative locations which avoid prime agricultural areas and there are no reasonable alternative locations in prime agricultural areas with lower priority agricultural lands

All lands within the Township that are in the immediate vicinity of the D6V transmission line are designated for agricultural use. Ultimately, there are no reasonable locations that avoid prime agricultural areas. Notwithstanding, several other properties were considered, and a site selection process was completed. The site

selection process was based on location in proximity, and connection, to the D6V line, location of surrounding uses, ability to efficiently accommodate required infrastructure, and willingness of the landowner to lease a portion of their property. The subject property was selected based on these considerations. Additionally, an Agricultural Impact Assessment (AIA) has been completed for the proposed development. The AIA includes an alternative site assessment, as well as includes a comprehensive analysis of policy 2.3.6(b) of the PPS. The AIA concludes that the BESS cannot reasonably avoid prime agricultural areas, and that the proposed location represents an area with lower priority agricultural lands.

The subject property is adjacent to the D6V transmission line, which runs across the property. The BESS can successfully connect to this line. The property is located immediately south of the Fergus settlement area boundary, and adjacent to a landscaping company to the east. There is already some land use fragmentation of the surrounding agricultural land base. The portion of the lands to accommodate the BESS facility has no agricultural investment, as there is no tile drainage, farm infrastructure, buildings, greenhouses, food distribution or processing facilities within the vicinity or on the lands subject to the applications.

The proposed orientation and site layout allows for adequate screening

and buffering of the facility. The location and area of the facility also allows for an efficient site layout that has no impact on the balance of the agricultural use of the lands. Other alternative sites would have resulted in irregular shapes where farm equipment would have challenges maneuvering, or would occupy more land area to provide road access, or reach the transmission line. The proposed BESS maximizes the ongoing agricultural use of the lands with minimal interruption. Further, the owner of the property is a willing participant and has agreed to lease this small area of their property. In order to address this temporary loss of farmland, Aypa Power is seeking opportunities to help improve the function or quantity of agricultural land in the area. These opportunities could include on-site pollinator plantings and assistance in reclaiming currently unfarmed land. Additionally, the BESS site is a temporary use and will be returned to agricultural use after the IESO contract expires.

Considering that all alternative lands for the BESS site would be within the prime agricultural area, there are no reasonable alternative sites within the Township which would avoid the prime agricultural area. Additional site analysis was completed, based on the technical siting requirements, as well as consideration for sites which had the least impact on the agricultural use of the lands. The subject property was selected for its ability to successfully accommodate the BESS,

the logical orientation of the facility and minimal impact on the balance of the agricultural use of property. The proposed BESS will be temporary and will eventually be returned to its primary agricultural use.

In summary, the proposal will not impact the agricultural viability of the property or the surrounding agricultural area. The proposed use is temporary, and the portion accommodating the BESS can be returned to agricultural use once the facility finishes. The proposal is contributing the provincial need for electricity and will be a sustainable alternative to energy generation (which would be much more intensive). Suitable lands that meet the technical siting requirements for this use all fall within the prime agricultural area of the Township. Therefore, site selection was based on the facilities' minimal impact on the surrounding agricultural system. We are of the opinion that the proposed location results in minimal intrusion of the agricultural production of the property and will facilitate an important contribution to Ontario's energy grid. Furthermore, an AIA has been prepared which assesses alternative locations and concludes the subject lands are the most appropriate location. The AIA concludes the chosen site represents the lowest priority agricultural lands, and demonstrates effort towards avoiding impacts to the agricultural system.

6.1.3 Employment

Policy 1.3 speaks to employment, requiring municipalities to promote economic development and competitiveness by providing opportunities for a diverse economic base, facilitating economic investment, and ensuring infrastructure is

provided to support current and projected needs. The proposed BESS will support employment opportunities and support the Township and County's economy. The project will produce up to 300 labour and construction jobs during the project construction period, and estimated 6 full-time positions related to both local and remote operations. Aypa Power will partner with local businesses for hiring and contracting. Not only will the project generate employment opportunities, it will support local businesses energy needs by providing reliability to the grid, thereby supporting energy needs.

6.1.4 Sewage, Water and Stormwater

Section 1.6.6.7 of the PPS includes policies on stormwater management. The proposed use does not require sewage or water services, however, a stormwater management strategy is required. A conceptual Stormwater Management Plan has been prepared which proposes stormwater to be controlled by swales, underground detention with water quality devices and a pond sized to return post-development flows to pre-development flows. A detailed, Stormwater Management Plan will be prepared during the site plan design phase and will be designed to meet MECP and municipal standards. The proposal will therefore appropriately accommodate stormwater management.

6.1.5 Energy Supply

Section 1.6.11 provides that planning authorities should provide opportunities for the development of energy supply, including electricity generation, transmission and distribution, district

energy, and renewable energy systems and alternative energy systems. The proposed development implements this policy by providing support to the existing energy grid through energy storage and transmission. As noted, there is a forecast shortage of energy supply while existing facilities undergo refurbishment and upgrades. The proposed BESS facility will support the provinces energy supply by providing reliability to the grid.

6.1.6 Long Term Economic Prosperity

The policies of section 1.7 are broad, however, a number of policies are applicable to the proposed development. Long term economic prosperity should be supported by the following applicable policies:

- promoting opportunities for economic development and community investment-readiness
- optimizing the long-term availability and use of land, resources, infrastructure and public service facilities
- sustaining and enhancing the viability of the agricultural system through protecting agricultural resources, minimizing land use conflicts, providing opportunities to support local food, and maintaining and improving the agrifood network
- promoting energy conservation and providing opportunities for increased energy supply
- minimizing negative impacts from a changing climate and considering

the ecological benefits provided by nature

The proposed BESS facility meets these policies as it will assist the province in meeting the short- and medium-term energy needs, allowing existing infrastructure to be retrofitted and upgraded to a higher standard and operational capacity. The BESS facility will increase energy supply, and addresses climate change objectives by enabling a greater level of renewable energy integration on the grid, the retirement of older, fossil fuel based generation, and more efficient use of existing transmission lines and generators. The project will support employment in the County by providing up to 300 labour jobs during the project construction period, and an estimated 6 full-time positions related to both local and remote operations.

6.1.7 Energy Conservation, Air Quality and Climate Change

Policy 1.8 addresses Energy Conservation, Air Quality and Climate Change. Energy conservation and efficiency, improved air quality, reduced greenhouse gas emissions and preparing for impacts of a changing climate are to be considered when planning for development. The proposal is a form of sustainable energy infrastructure. The BESS facility does not have emissions and helps conserve energy by storing surplus energy (that would typically be wasted) until it is in demand. The BESS reduces the carbon footprint by mostly being charged over night, enabling renewables to increase utilization, thereby reducing the reliance on natural gas generation during the day. This form of technology is providing an alternative form of energy transmission. As climate change results in more severe weather events, the BESS facility can be relied upon to deliver much needed energy

in times of uncertainty, such as power outages and controlled blackouts. Such technology is at the forefront of the electricity industry and is a sustainable tool that the County and Province can utilize to meet energy conservation objectives and adjust to climate change impacts.

6.2 Provincial Policy Statement, 2024

The province released a new PPS on August 20, 2024, which will take effect on October 20, 2024 and replace the current 2020 version. The new PPS contains important proposed updates relative to BESS facilities.

Specifically, an 'energy storage system' is recognized in the new PPS and now defined as:

"...a system or facility that captures energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production, including for example, flywheels, pumped hydro storage, hydrogen storage, fuels storage, compressed air storage, and battery storage."

The new PPS also updated the definition of on-farm diversified uses to now include energy generation, transmission and energy storage systems. BESS facilities are therefore now permitted as on-farm diversified uses in prime agricultural areas.

Additionally, policy 3.8 which speaks to energy supply, has been updated to include energy storage systems. The policy provides that planning authorities should provide opportunities for energy supply including electricity generation facilities and

transmission and distribution systems, energy storage systems, district energy, and renewable energy systems and alternative energy systems, to accommodate current and projected needs.

Once the PPS 2024 comes into effect on October 20, 2024, the proposed BESS facility will be permitted on the subject property as an on-farm diversified use, and no County Official Plan amendment will be required. However, the Township Zoning By-law for on-farm diversified uses does not yet include BESS facilities, and therefore an amendment to the Zoning By-law will still be required.

Section 4.3 of the PPS provides the policies for Agriculture. Policy 4.3.2.1 permits that in prime agricultural areas, permitted uses and activities are agricultural uses, agricultural related uses and on-farm diversified uses, based on provincial guidance. Proposed on-farm diversified uses are to be compatible with, and not hinder, surrounding agricultural operations. Criteria for these uses is based on provincial guidance being publication 851: Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas.

6.3 Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas

The Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) Guidelines on Permitted Uses in Ontario's Prime Agricultural Areas (Publication 851) is a tool to assist with the interpretation of the PPS policies relating to agricultural uses.

As of October 20, 2024, the proposed BESS facility will be permitted on the subject lands as an on-farm diversified use. As provided in policy 4.3.2.1 of the 2024 PPS, any proposed on-farm diversified use is to meet the provincial criteria established for such uses. At this time, the most current provincial criteria referenced within this policy is contained in Publication 851.

Specifically, section 2.3 of Publication 851 outlines the criteria for on-farm diversified uses:

1. Located on a farm.

The on-farm diversified use must be located on a farm property that is actively in agricultural use.

The subject lands are in active agricultural use as a cattle farm, including three livestock barns, manure storage and several grain silos. The balance of the lands contain crops. The proposed facility will be located on a portion of this agricultural property.

2. Secondary to the principal agricultural use of the property.

The current agricultural use of the property must remain the primary use of the property. In order to be considered an on-farm diversified use, the proposed BESS facility is to be subordinate to the primary use. This is determined in both spatial and temporal terms. Spatially, the BESS facility is to be secondary to the agricultural use.

The primary use of the lands will continue to be agricultural. The proposed BESS use will be subordinate to the farming operation and will occupy a small area, located as far as

possible from farming activities. The area the facility will be located on will be returned to agricultural use once the facility is decommissioned.

Temporal consideration applies to temporary or intermittent uses. The BESS facility is a temporary use (of 25 years), and the lands will be restored back to an agricultural use following the removal of the BESS and IESO contract.

3. Limited in Area

This criterion is intended to: minimize the amount of land taken out of agricultural production, if any; ensure agriculture remains the main land use in prime agricultural areas; and limit off-site impacts (e.g., traffic, changes to the agricultural-rural character) to ensure compatibility with surrounding agricultural operations.

A preferred approach is to base "limited in area" on the total footprint of the use, on a lot coverage ratio basis. Generally, the guidelines require on-farm diversified uses to occupy up to 2% of the total property area. When occupying more than 2%, consideration for PPS policies on non-agricultural uses shall be had.

Approximately 6 hectares will be leased for the project area. However, not all 6 hectares will be utilized as the facility will be setback from the roadway. Approximately 4 of the 6 hectares will be actively used for the facility. The proposed BESS facility will therefore have a lot coverage of approximately 10%. This exceeds the recommended 2%. Consideration for the PPS policies on non-agricultural uses is

demonstrated in section 6.1.2 of this report. The siting of the facility has been significantly reduced from earlier concepts and will utilize as little of the lands as possible. There are specific siting requirements, as discussed in section 6.1.2 of this report, that must be met in order for the BESS facility to be operational. The proposed facility location has been selected as it is the most appropriate location with the least impacts on the agricultural system. Similarly, the AIA demonstrates that the selected site is the lowest priority agricultural lands (of all lands considered) and will avoid impacts to the subject lands and broader agricultural system.

4. Includes, but is not limited to, home occupations, home industries, agri-tourism uses and uses that produce value-added agricultural products. (From the PPS definition)

The definition of on-farm diversified uses provided in Publication 851 is based on the 2020 PPS. The new PPS revises the definition of on-farm diversified uses to now include energy storage systems. It is the assumption that for this criterion, the definition of on-farm diversified uses will be based on the in-effect PPS at the time. Therefore, energy storage systems, which include the proposed BESS facility, are permitted as of October 20, 2024.

5. Shall be compatible with, and shall not hinder, surrounding agricultural operations.

Compatibility considerations include whether it hinders agricultural

operations, if appropriate services and infrastructure are available, it maintains the agricultural character of the area, meets environmental standards and does not undermine the agricultural nature of the area.

The proposed BESS facility will not hinder the primary livestock operation of the subject lands. The livestock use will continue without impact to its operation. The proposed use does not require any servicing and will provide infrastructure to support Ontario's energy needs. The agricultural character will be maintained and the agricultural nature of the area will not be impacted. The Agricultural Impact Assessment concludes that no adverse impacts are expected as a result of the proposed BESS facility. The proposed use will not impact the subject lands or surrounding agricultural operations. The project area is a temporary use that will see the lands returned to agricultural use at the end of the 25 years.

It is therefore concluded that the proposed BESS facility is appropriate as an on-farm diversified use that meets the required criteria. There are no expected impacts that the facility will have on the subject lands or surrounding area. The primary use of the subject lands will continue to be agricultural, and the small area dedicated to the BESS facility will be returned to agricultural use once the facility is decommissioned.

Section 3.2 Limited Non-agricultural Uses in Prime Agricultural Areas, provides guidance on implementation of the 2020 PPS policy 2.3.6. There are few circumstances where non-agricultural uses are permitted in Prime Agricultural Areas. Of such permitted

uses are limited non-residential uses, which include commercial, industrial, institutional, or recreational uses and exclude residential uses. Limited non-residential uses are permitted in Prime Agricultural Areas when the need has been demonstrated and it meets the tests of policy 2.3.6.1 b) of the 2020 PPS.

Section 5.1.2 of this report assesses the proposed BESS facility in accordance with the tests of policy 2.3.6.1 b) of the 2020 PPS. To summarize, the property does not form a specialty crop area and MDS compliance is not applicable. The province has identified a need for the proposed use and prime agricultural areas cannot be reasonably avoided given the location of the transmission line. While prime agricultural areas cannot be avoided, the subject property provides the most suitable location with minimal impact on balance of the agricultural property. Additionally, the proposed use is temporary, and the portion accommodating the BESS can be returned to agricultural use once the facility finishes. Therefore, the proposed location results in minimal interruption of the agricultural production of the property and will facilitate an important contribution to Ontario's energy grid. The agricultural interests can be balanced with the public need for energy.

6.4 Growth Plan for the Greater Golden Horseshoe

The Growth Plan for the Greater Golden Horseshoe (the 'Growth Plan') is the province's initiative to plan for growth and development in a way that supports economic prosperity, protects the

environment, and helps communities achieve a high quality of life. Any planning decisions made for lands in the Greater Golden Horseshoe (GGH) area must conform to the policies of the Growth Plan. The Growth Plan is intended to provide a framework for implementing Ontario's vision for building stronger, prosperous communities by better managing growth. It establishes the long-term framework for where and how regions will grow, while recognizing the realities facing communities and acknowledging what governments can and cannot influence. The Growth Plan will be replaced as of October 20, 2024 when the new PPS takes effect, replacing both the Growth Plan and the 2020 PPS. Notwithstanding this pending policy direction change, the following section has analyzed the proposed use in the context of the Growth Plan as it read on the date of filing this application.

The Growth Plan recognizes and supports the role of municipal policy in providing leadership and innovation in developing a culture of conservation and addressing climate change. As the GGH grows, so will the overall demand for water, energy, air, and land. The ongoing availability of these natural resources is essential for the sustainability of all communities.

6.4.1 Agricultural

Policies for the Agricultural System are set out in section 4.2.6 of the Growth Plan. Relevant policies include:

- *Prime agricultural areas, including specialty crop areas, will be designated in accordance with mapping identified by the province and these areas will be protected for long-term use for agriculture.*

- *Where agricultural uses and non-agricultural uses interface outside of settlement areas, land use compatibility will be achieved by avoiding or where avoidance is not possible, minimizing and mitigating adverse impacts on the Agricultural System. Where mitigation is required, measures should be incorporated as part of the non-agricultural uses, as appropriate, within the area being developed. Where appropriate, this should be based on an agricultural impact assessment.*
- *The geographic continuity of the agricultural land base and the functional and economic connections to the agri-food network will be maintained and enhanced.*
- *The retention of existing lots of record for agricultural uses is encouraged, and the use of these lots for non-agricultural uses is discouraged.*

The subject property forms part of the broader agricultural system of the province, with permitted land uses being agriculture, agriculture-related uses, and on-farm diversified uses. The PPS as well as the province's Guidelines (Publication 851) allow for limited non-agricultural uses in prime agricultural areas for various uses which include industrial uses. A small portion of the property is proposed to be temporarily used for industrial purposes. The proposed use is permitted as a limited non-agricultural use.

An agricultural impact assessment has been completed in support of the proposed development, which addresses mitigation

measures for the interface of the two land uses. The balance of the farm parcel will remain in an agricultural use and the proposed BESS will only actively use approximately 4 hectares. The facility is temporary and will allow for the restoration of the lands back to agricultural once the contract with IESO ends, in approximately 25 years. MDS is not applicable for the proposed use as it is considered infrastructure as per the PPS. Further, the proposed use is not fragmenting the agricultural landscape as no lot creation is required for the BESS. The area to accommodate the BESS will be leased over the lifetime of the contract, returning to agricultural use after the facility is terminated. The shape of the proposed BESS project area will allow the ability to farm the balance of the lands. The proposed use, location and intent of the property will not cause compatibility issues or otherwise impact surrounding agricultural operations.

6.4.2 Conservation

The Growth Plan outlines policies in section 4.2.9 for 'A Culture of Conservation'. The Growth Plan states that municipalities will develop and implement policies and strategies in support of conservation, including energy conservation through:

- *Identification of opportunities for conservation, energy efficiency and demand management, as well as district energy generation, renewable energy systems and alternative energy systems and distribution through community, municipal, and regional energy planning processes, and in the development of conservation and demand management plans;*

- *land use patterns and urban design standards that support energy efficiency and demand reductions, and opportunities for alternative energy systems, including district energy systems; and*
- *other conservation, energy efficiency and demand management techniques to use energy wisely as well as reduce consumption.*

This set of policies outlines the importance of energy conservation and efficiency for the Province. The BESS facility is aligned with these policies as it is designed to conserve energy. Whereas traditional energy generation facilities typically release energy into the grid to be consumed immediately, the intent of energy storage is to conserve the energy until it is needed. This is a sustainable approach to electricity transmission.

6.4.3 Growth Plan Summary

The proposed amendments will help meet the identified energy needs of the short and medium term. As noted, energy conservation and efficiency is an objective of planning for the province. The proposed BESS will help support these energy conservation policies. While there is a temporary loss of agricultural lands over the lifespan of the BESS facility, these lands will be returned to an agricultural use. The proposal is permitted in accordance with the PPS as a limited non-farm use. The proposal therefore conforms with the agricultural system policies of the Growth Plan. The IESO has identified through their 2024 Annual Planning Outlook report that they have successfully acquired the additional resources needed to meet the Ontario's electricity needs this decade. This confirms that without alternative forms of energy conservation,

generation and transmission, there will be a shortfall in energy. The BESS facility is one of the solutions to meeting forecast energy demand and without it, energy needs may not be met. There is an overarching public benefit in energy storage and alternative energy forms. The interests of protecting agricultural lands can be balanced with the identified need for temporary facilities like BESS's.

6.5 Wellington County Official Plan

The Township of Centre Wellington is located in the County of Wellington. The County is a two-tier government structure with a County government and seven local municipalities. The County Official Plan sets out County-wide overarching land use designations, policies and objectives for growth and development. There are local municipal Official Plans in effect for two of the larger municipalities, including Centre Wellington. The Township Official Plan primarily relates to the urban centres of Fergus, Elora/Salem and Belwood, whereas the County Plan provides policy direction for all areas outside of these urban centres. The County Official Plan came into effect in May 1999, and was most recently consolidated in February 2024. The subject property is designated as "Prime Agricultural" on Schedule B1 of the County Plan (see **Figure 4** of this report).

6.5.1 Official Plan Vision

The Official Plan supports four overarching planning concepts: sustainable development, land stewardship, healthy communities, and complete communities.

1. The objective of Sustainable Development is to meet the needs

of current residents without compromising the needs of future generations. This includes protecting the natural environment, enhancing economic competitiveness, and fostering a safe society. The proposed development meets the objective of sustainable development as it will contribute to the energy needs of both current and future generations (over the next 25 years, approximately). The development does not impact the natural environment, will result in economic investment in the County, and will result in a safe community with reliable energy transmission.

2. The objectives of Land Stewardship are to preserve natural features and the environment. The proposed BESS facility is not located in an area with identified natural features or significant environmental features.
3. The objectives of Healthy Communities is to foster social and economic well-being, provide residents with a sense of control over decision making, reduce stress of daily living for residents, and provide accessible employment, social, health, educational and recreational opportunities for all. The proposed BESS facility supports healthy communities by providing reliable electricity for the needs of current and future residents, providing economic investment, and providing employment opportunities.
4. Complete Communities are those which have a diversity of land uses, expand access to transportation,

public service facilities, open spaces and recreation. The proposed facility is a diverse land use, albeit temporary, which will foster both industrial land use over the short to medium term, with the ability to return the land back to agriculture. The BESS facility will support public energy companies by supporting the existing grid. Energy will be conserved and distributed when public electricity falls short.

The Official Plan identifies that County Council is committed to providing opportunities for jobs, commerce and services, develop complete communities that are efficient and livable, protect the agricultural land base, provide infrastructure required to accommodate growth in an environmentally and fiscally responsible manner, promote energy efficient land use and servicing decisions, and the need for increased energy supply to be promoted by providing opportunities for energy generation facilities, and supports the use of renewable energy systems and alternative energy systems, where feasible and appropriate.

The proposed BESS facility is aligned with the County commitments to planning and development. The facility will provide for job opportunities both during construction and operation of the facility, as well as supports economic development through local industry partnerships. Such partnerships may include utilizing local labour unions or contractors. The facility will also result in energy efficiency by conserving unneeded energy until it is most in demand. The facility supports energy supply as well as renewable and alternative energy systems/generation by storing renewable energy generation. The proposal

therefore meets the objectives of the County Official Plan.

6.5.2 Utility and Energy Policies

The County's policy framework for utility uses and energy facility uses does not define or recognize BESS facilities. Therefore, there are no direct policies that speak to the proposed use, given that BESS adoption is relatively new in Ontario.

Section 12.6 of the Official Plan outlines the policy for utilities. The County has noted that this policy only applies to road corridors, and does not apply to the proposed development. Nonetheless, the policy states that the following uses may be permitted in any land use designation, subject to the provisions of the Zoning By-law: a) all electrical power facilities, including all works defined by the Power Corporation Act, provided that the development satisfies the provisions of the Environmental Assessment Act, the Environmental Protection Act and any other relevant legislation. The Power Corporation Act, 1990 is an outdated legislation, much of which has been repealed, including several definitions. It is unclear the purpose or applicability of this Act.

The Official Plan does permit public and private utility uses on industrial designated lands. It is the County's interpretation that utilities and energy facilities are not permitted within the Prime Agricultural designation and are only permitted in the Industrial designation.

Part 2 of the Official Plan sets out the planning vision. As part of the County's commitment to the future, Official Plan policy 2.2.25 states that: *"The County recognizes the need for increased energy*

supply to be promoted by providing opportunities for energy generation facilities and supports the use of renewable energy systems and alternative energy systems, where feasible and appropriate".

Accordingly, the County is committed to supporting the need for energy facilities and alternative energy systems. The proposed BESS facility is a form of energy infrastructure that will support existing energy generation. While the BESS facility is not considered a renewable system, it is a sustainable form of energy transmission as it stores the energy until it is needed, and enables cost-effective integration of renewable, intermittent resources. The proposed location of the BESS facility is appropriate given its relatively small size and location to a key transmission line. This location will facilitate the successful transmission of the energy supply.

6.5.3 Existing Designation: Prime Agricultural

The entirety of the subject property, including the area proposed to accommodate the BESS, is designated Prime Agricultural. The land use policies for Prime Agricultural Areas are provided in section 6.4 of the Official Plan. Permitted uses include:

- agricultural uses
- secondary uses including home businesses and farm businesses
- agriculture-related uses
- existing uses
- single detached homes
- Additional Residential Units
- garden suites and accessory residence
- forestry uses

- wayside pits and quarries, portable asphalt plants and portable concrete plants used on public authority contracts and licensed aggregate operations
- community service facilities
- group homes on existing lots of records
- kennels on existing lots of record

The Official Plan defines secondary uses as: “uses secondary to the principal use of the property, including home occupations, home industries, and uses that produce value-added agricultural products from the farm operation on the property”. The concept of secondary uses is equivalent to that of on-farm diversified uses, which has effectively replaced the term for secondary uses. On-farm diversified uses (those which are secondary to the principal agricultural use) are therefore permitted in the Agricultural designation. This is important to note as the new PPS permits energy storage systems as an on-farm diversified use. By October 20, 2024 the proposed BESS facility will be permitted in the Prime Agricultural designation. Until this date, an Official Plan amendment will be required to permit the use on the property.

Section 4.3 outlines policies to conserve/protect farmland. Prime agricultural areas are to be protected so that farming operations are not hindered. Policy 4.3.3(c) states that limited non-residential uses may take place in prime agricultural areas if the need for the use can be demonstrated, and there are no reasonable alternative locations that avoid prime agricultural areas. The policy outlines considerations that are to be had when considering limited non-residential uses:

i) Need

- projected population for the local municipality and county or growth allocated by broader studies
- public health or safety considerations
- existing vacant land already designated for the proposed use
- potential for infilling existing areas
- previous rates of land consumption

ii) Alternative Locations

- impacts on agricultural land and operations
- location requirements of the proposed use
- degree of land fragmentation in the area
- Canada Land Inventory classification

iii) Compliance with minimum separation distances established for livestock operations.

Section 5.1.2 of this report as well as the Agricultural Impact Assessment have assessed the proposed use in accordance with the criteria for permitting limited non-residential uses, per section 2.3.6(b) of the PPS and the County Plan policies. The assessment includes a review of both need, alternative locations, as well as MDS requirements. As noted, there is an identified need by the province for additional support to address future energy consumption needs. Alternative locations were assessed; however, it was determined that the subject property is the most reasonable location for the proposed use. This was based on the technical siting requirements and the minimal impact on

agricultural lands. As the proposed use falls within the province's definition of infrastructure, MDS formulae does not apply, and is not applicable. The proposed use is therefore compliant with the Official Plan's criteria for permitting limited non-residential uses in prime agricultural areas.

6.5.4 Proposed Amendment

Currently, the proposed BESS facility is not permitted in the Prime Agricultural designation and could only be permitted in the Industrial designation. While secondary uses are permitted in the Prime Agricultural designation, there is no policy framework that recognizes BESS facilities. This will change on October 20, 2024 when energy storage systems will be permitted as secondary uses (on-farm diversified uses) in prime agricultural areas. As set out in the PPS, proposed on-farm diversified uses are to meet the provincial criteria (e.g. Publication 851) or municipal approaches which achieve the same objectives. Section 6.3 of this report has assessed the proposed BESS for conformity with this criteria and concludes that the proposal will be secondary to the primary agricultural use, will not result in impacts to the agricultural use of the property, and is therefore appropriate as an on-farm diversified use.

However, until October 20, 2024 when the new provincial policies take effect, the proposed BESS facility is not permitted in the Prime Agricultural designation. Therefore, an Official Plan amendment is required to facilitate the proposal.

The proposed BESS facility is a temporary use that is anticipated to have a lifespan of 25 years. Once the contract with IESO ends in 2048, the facility will continue to

operate until 2052, at which point the infrastructure will be removed and the lands will be returned to an agricultural use. The proposal does not require lot creation as the area proposed to accommodate the BESS will be leased by Aypa Power from the land owner.

Given that this is a temporary use, changing the land use designation to Industrial is not necessary. Under the current policy framework, it is proposed that the property's agricultural designation be maintained and amended with site specific policies that permit the BESS facility as an additional use. Refer to **Figure 5**. The purpose and effect of the amendment is to:

- Permit a battery storage system use and associated equipment, occupying approximately 6 hectares of the property
- Define Energy Storage Systems per the draft PPS 2024 definition: means a system or facility that captures energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production, including for example, flywheels, pumped hydro storage, hydrogen storage, fuels storage, compressed air storage, and battery storage.
- Ensure the BESS use is in accordance with the Ontario Electrical Safety Authority.
- Ensure the BESS proposal is subject to the approval of a Site Plan Control application to the Satisfaction of the Township.

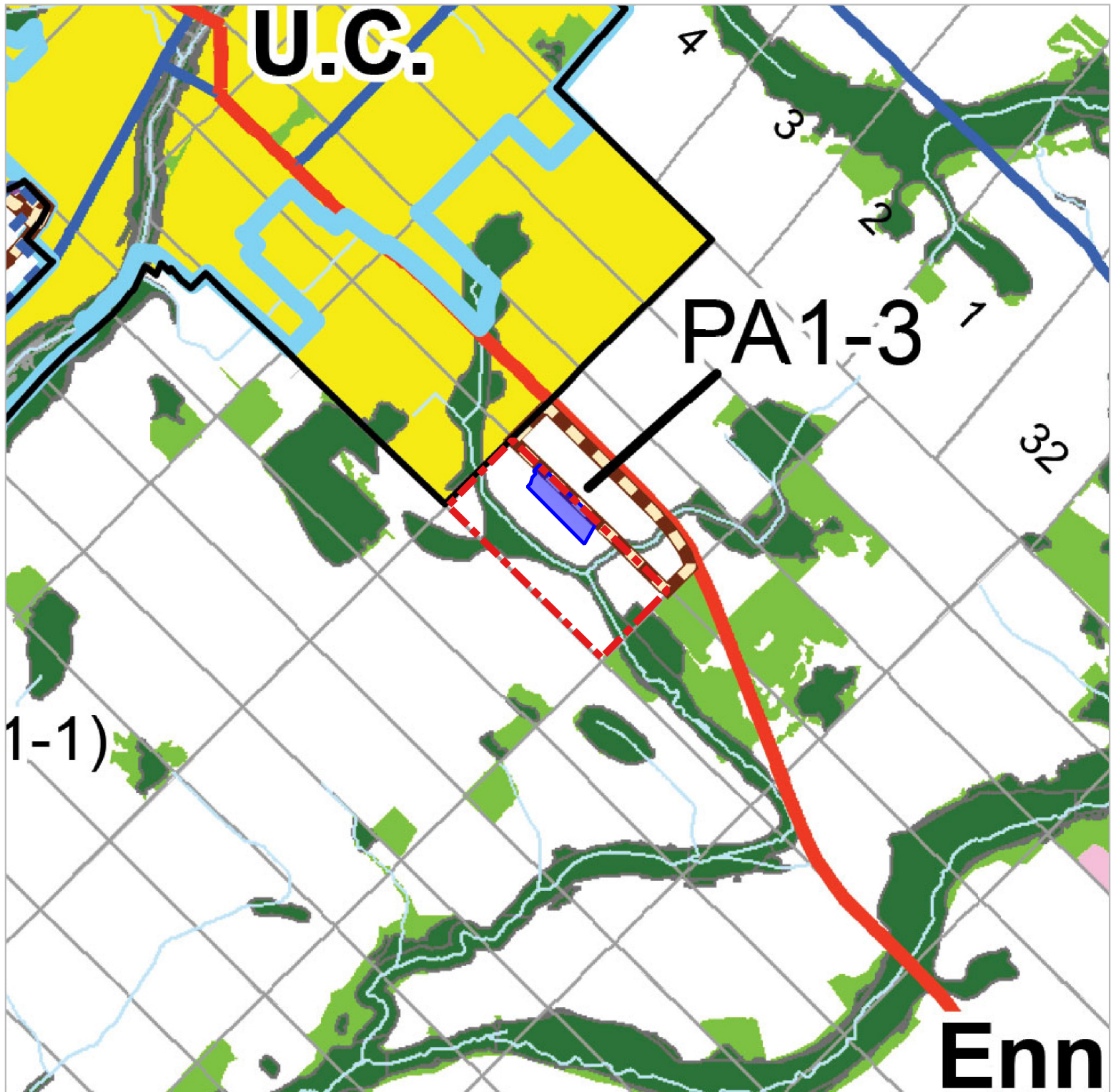


Figure 4
County of Wellington
Official Plan
Schedule B1: Land
Use - Centre
Wellington

6235 Guelph St.
 Township of Centre Wellington
 Wellington County

LEGEND

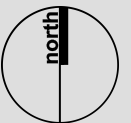
- Subject Lands
- Project Area
- The Greenlands System**
 - Core Greenlands
 - Greenlands
 - Earth Science ANSI
- The Rural System**
 - Prime Agricultural
 - PA Policy Area
- The Urban System**
 - U.C. Primary Urban Centre
- Other**
 - County Roads
 - Provincial Highways
 - Built Boundary
 - Waterbody
 - Watercourse

Date: August 2024

Scale: 1:25,000

File: 23405A

Drawn: PL



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PLANNING
URBAN DESIGN
& LANDSCAPE
ARCHITECTURE

200-540 BINGHAM'S CENTRE DRIVE, KITCHENER, ON, N2B 3X9 | P: 519.576.3650 | WWW.MHBCPLAN.COM

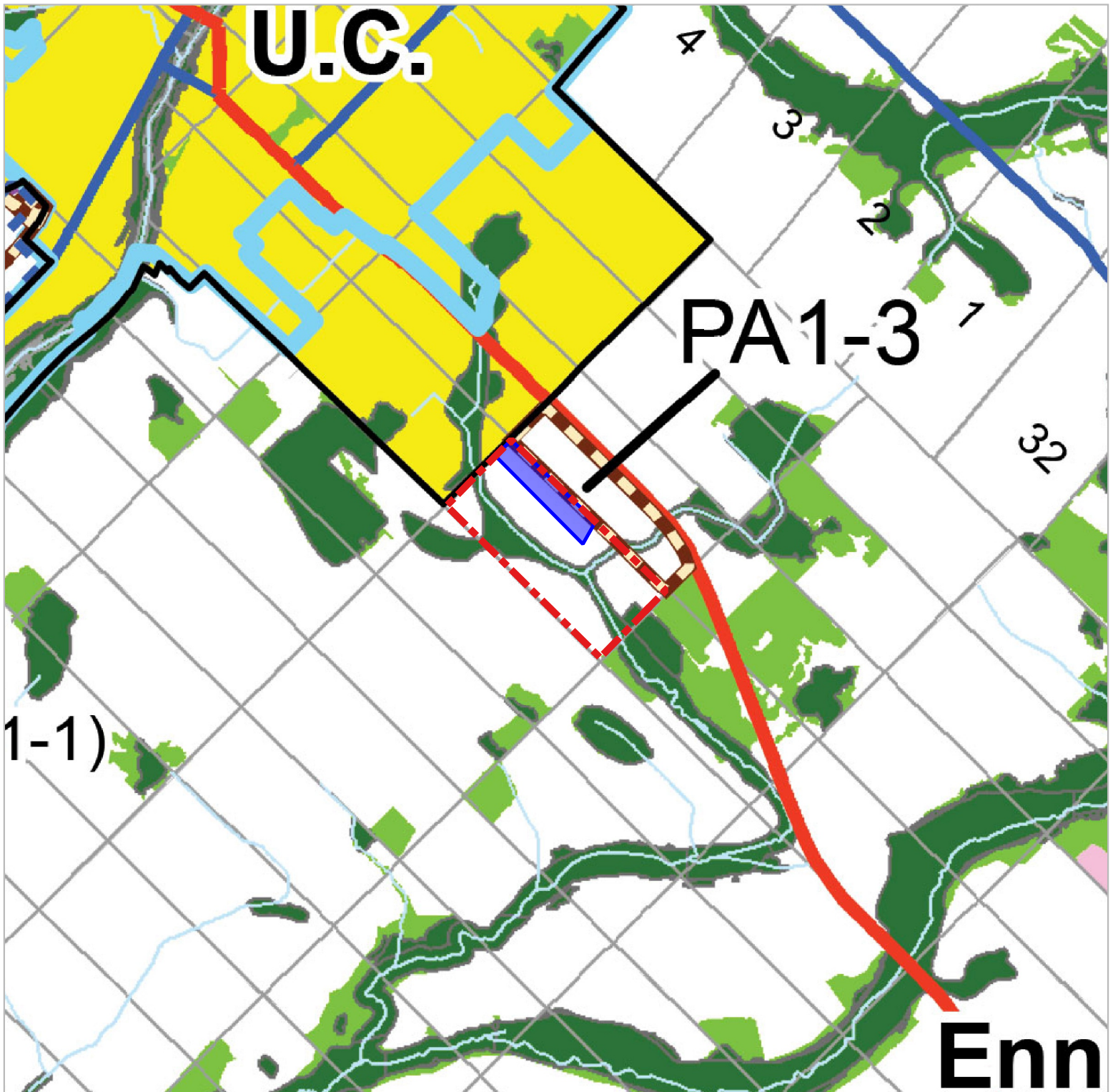


Figure 5
Proposed Official
Plan Amendment

6235 Guelph St.
Township of Centre Wellington
Wellington County

LEGEND

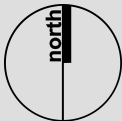
- Subject Lands
- Prime Agricultural with Special Policy
- The Greenlands System**
 - Core Greenlands
 - Greenlands
 - Earth Science ANSI
- The Rural System**
 - Prime Agricultural
 - Policy Area
- The Urban System**
 - Primary Urban Centre
- Other**
 - County Roads
 - Provincial Highways
 - Built Boundary
 - Waterbody
 - Watercourse

Date: September 2024

Scale: 1:25,000

File: 23405A

Drawn: PL



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PLANNING
URBAN DESIGN
& LANDSCAPE
ARCHITECTURE

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6.6 Zoning By-law

6.6.1 Existing Zoning

The subject property is zoned Agricultural special (A.19.3) in the Township of Centre Wellington Zoning By-law 2009-045 (**Figure 6**). The "A" zone applies to lands that are designated Prime Agricultural in the County Official Plan. The A.19.3 special provision allows two single detached dwellings on the property.

Permitted uses in the 'A' zone include:

- An agricultural use
- A single detached dwelling
- A group home
- A commercial kennel
- A lawfully existing institutional use
- A wayside pit or quarry
- A temporary portable asphalt plant
- Accessory Uses:
 - bed and breakfast
 - Additional residential unit
 - On-Farm Diversified Use
 - Home occupation
 - Home business-tradespersons
 - A micro wind energy system
 - Small wind energy system
 - Sales outlet for agricultural products

The proposed use is currently not permitted in the A zone. The Zoning By-law does not define BESS or energy storage systems, nor is there a clear classification for which these uses fall under. There are no other regulations or definitions within the Zoning By-law that speak to the type of use proposed. The Industrial zones do permit public utility uses, however, they do not include private utility (which the BESS will be). Section 4.38 of the Zoning By-law provides a list of uses that are permitted in

all zones. Specifically, regulation 4.38.2 provides that the installation or maintenance of overhead or underground electrical services, cable television, telegraph or telephone line or associated tower or transformer, together with any installations or structures accessory thereto are permitted in any zone. These uses do not correspond to the proposed BESS facility and therefore the proposal is not currently considered to be permitted in any zone. Therefore, at this time an amendment is required.

The Zoning By-law does permit on-farm diversified uses in the Agricultural zone, and the BESS facility will therefore be permitted as an on-farm diversified use come October 20, 2024. Regulations for on-farm diversified uses are provided in section 6.1.2(h) of the Zoning By-law, and provide that the maximum lot area devoted to an on-farm diversified use is 2% and not greater than 1 hectare.

6.6.2 Proposed Zoning

In order to permit the BESS facility, a Zoning By-law Amendment is proposed. The amendment will not change or remove the Agricultural zone of the property. Under the current policy framework, a site specific regulation (A.xx) is proposed to be added to the current zone that will permit a BESS facility on a portion of the Agricultural property. The Agricultural zoning of the property will be maintained (**Figure 7**).

On October 20, 2024 when the 2024 PPS comes into effect, the BESS facility will be permitted as an on-farm diversified use. However, an amendment to the Agricultural zone will still be required. Whereas the Zoning By-law limits on-farm diversified uses to occupy a maximum of

2% (not greater than 1 hectare) of the total lot area, the proposal will actively use approximately 10% of the lot area.

As discussed in section 6.3 of this report, the size and location of the project is due to siting requirements of the facility. While the total land to be leased for the project will be approximately 6 hectares, only approximately 4 hectares will be actively used for project infrastructure (approximately 10%). The proposed project area utilizes the least amount of agricultural lands feasible and has the least impact on the agricultural use of the property, or surrounding agricultural system.

The proposed "A.xx" site specific zone will permit and regulate the BESS facility, addressing both current and future policy frameworks. The site-specific zoning will implement the following regulations:

- a. A battery storage system and associated equipment is permitted as an on-farm diversified use.
- b. The on-farm diversified use is

permitted to occupy a maximum area as shown on the attached Schedule A.

- C. Energy Storage Systems per the PPS 2024 definition:
means a system or facility that captures energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production, including for example, flywheels, pumped hydro storage, hydrogen storage, fuels storage, compressed air storage, and battery storage.








The proposed Draft By-law is included as Appendix A. The proposed use will also undergo site plan approval to ensure the design of the facility meets the standards of the Township. The proposed Zoning By-law amendment will implement the Official Plan, and is consistent with and conforms to the relevant provincial, county and local township policies.



Figure 6
Township of Centre
Wellington Zoning
By-law

6235 Guelph St.
 Township of Centre Wellington
 Wellington County

LEGEND

-  Subject Lands
-  Project Area
-  Zone Boundary
-  Environmental Protection
-  Environmental Protection Overlay
-  Urban Area
-  Parcel Fabric

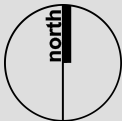
A Agricultural Zone

Date: August 2024

Scale: 1:7,500

File: 23405A

Drawn: PL



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PLANNING
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Figure 7
Proposed Zoning
By-law Amendment

6235 Guelph St.
 Township of Centre Wellington
 Wellington County

LEGEND

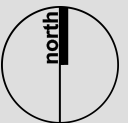
-  Subject Lands
-  Proposed to rezoning: Agricultural Special (A.xx.x)
-  Zone Boundary
-  Environmental Protection
-  Environmental Protection Overlay
-  Urban Area
-  Parcel Fabric
- A** Agricultural Zone

Date: September 2024

Scale: 1:7,500

File: 23405A

Drawn: PL



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7.0 Summary and Conclusions

To facilitate the proposed BESS facility on the subject property, an Official Plan Amendment and Zoning By-law Amendment are required to implement the appropriate land use permissions. The proposed amendments have been assessed against the Provincial, County and Township planning framework. We are of the opinion that the proposed BESS facility can be accommodated through the amendments and that the proposed amendments are appropriate for the following reasons:

- The Province has forecast that there is a need for increased energy supply as generating facilities undergo refurbishment. The Ontario electricity system is going through a transition to fossil free energy generation and nuclear generation fleet is undergoing refurbishment. Future demand is expected to significantly outweigh supply. To address this shortfall in supply, the IESO has secured private energy storage contracts to supplement the energy supply mix and provide reliability to the grid. There is a need for the proposed use.
- The Province and County promote opportunities for the development of energy supply, including electricity generation, transmission and distribution and renewable and

alternative energy. The proposed BESS facility is an opportunity for the Township and County to meet these energy objectives.

- The BESS facility will support energy conservation and provide an opportunity to increase energy supply, contribute to reducing greenhouse gas emissions and help prepare for the impacts of climate change.
- The PPS permits limited non-agricultural uses in Prime Agricultural Areas for industrial use. The proposed use is therefore permitted as a limited non-agricultural use.
- The proposal has been assessed against provincial policies for permitting limited non-agricultural uses in Prime Agricultural Areas. The assessment concludes that the property does not comprise specialty crop areas, MDS formulae does not apply, there is an identified need for the facility, and there are no reasonable alternative lands which avoid prime agricultural areas. The proposed site is ideal given it meets technical siting requirements and is temporary in use. The proposal meets the provincial criteria for permitting limited non-agricultural uses in prime agricultural areas.

- The 2024 PPS indicates the provincial direction to recognize energy storage as part of the energy framework of the province, and as of October 20, 2024 energy storage uses will be permitted in prime agricultural areas.
- The proposed amendments will maintain the Agricultural land use designation and zone, adding the BESS as a permitted use on the property. The proposed use is temporary and the lands can be returned to agricultural. The amendments will implement site specific policies and regulations to ensure that the BESS facility is appropriate in size and tenure.
- Through the IESO procurement process, the BESS facility is required to go through a Class Environmental Assessment. Through this process, a number of studies have been completed to ensure that the facility is safe, appropriate for the land, and up to provincial, federal and international standards. Additionally, site plan control will be required prior to development. The studies conclude that the proposal is appropriate. Mitigation measures will be included where necessary through the site plan approval process.

- The Township has already indicated endorsement of a BESS facility through the Municipal Support Resolution that was passed by Council.

For these reasons, we are of the opinion that the proposal is an appropriate use of land, represents good planning, and should be approved.

Respectfully submitted,
MHBC



Pierre J. Chauvin, BSc(Agr), MA, MCIP,
RPP
Partner



Gillian Smith, MSc, MCIP, RPP
Senior Planner

A

Appendix A: Renderings

Elora BESS Project visual renderings

The pictures show renderings with proposed visual screening.



A view from 2 Line looking South towards the Elora BESS project

Elora BESS Project visual renderings

The pictures show renderings with proposed visual screening.



A view from Tower St.S. looking North-West towards the Elora BESS project

Elora BESS Project visual renderings

The pictures show renderings with proposed visual screening.



A view from the intersection of 2 Line & Tower St.S. looking South-West towards the Elora BESS project

Elora BESS Project visual renderings

The pictures show renderings with proposed visual screening.



A close-up view showing the in-ground water tanks as means to minimize the reliance on the township water service



A close-up view showing proportions of the Elora BESS project structures to the existing transmission tower

B

Appendix B: Draft By-law

The Corporation of the Township of Centre Wellington

By-law 202X-xx

A By-law to amend the Township of Centre Wellington
Zoning By-law 2009-045, as amended, to change the
zoning of the subject land from “A.19.3” to “A.X.X”

Whereas the Council of the Corporation of the Township of Centre Wellington deems it desirable to amend By-law No. 2009-045, as amended, pursuant to Section 34 of the Planning Act, R.S.O. 1990;

Now therefore the Council of the Corporation of the Township of Centre Wellington hereby enacts as follows:

1. Schedule “A” Map 19 to By-law No. 2009-045 is hereby amended in accordance with the attached Schedule “A” which forms part of this By-law.
2. Section 15 of By-law No. 2009-045, as amended, is hereby further amended by adding the following Exceptions:

15.X.X	A.X.X	Notwithstanding any other provision of this By-law to the contrary, on lands zoned A.X.X, the following special provision shall apply: a. A battery storage system and associated equipment is permitted as an on-farm diversified use. b. The on-farm diversified use is permitted to occupy a maximum area as shown on the attached Schedule A. c. Energy Storage Systems per the PPS 2024 definition: means a system or facility that captures energy produced at one time for use at a later time to reduce imbalances between energy demand and energy production, including for example, flywheels, pumped hydro storage, hydrogen storage, fuels storage, compressed air storage, and battery storage.
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3. All other applicable provisions of By-law No. 2009-045 shall continue to apply to the lands affected by this amendment.
4. This By-law shall come into effect on the date of final enactment by the Council pursuant to Section 34 of the Planning Act, R.S.O., 1990.

Read a first, second and third time and finally passed this X day of X, 202X.

Mayor – Shawn Watters

Municipal Clerk – Kerri O’Kane

Township of Centre Wellington Schedule "A"

By-law 202X-xx

An Amendment to Township of Centre Wellington

Zoning By-law No. 2009-045 as amended

This is Schedule "A" to By-law 2024-xx passed this X day of X, 202X.

Read a first, second and third time and finally passed this X day of X, 202X.

Mayor – Shawn Watters

Municipal Clerk – Kerri O’Kane

