



October 29, 2025

The Honorable Doug Elmslie and Council
City of Kawartha Lakes
26 Francis St, Lindsay, ON

RE: Proposed BESS at 25093 Simcoe Street & 207 Farms Road, Woodville

Introduction

The following has been prepared to summarize the Battery Energy Storage System (BESS) proposed at 25093 Simcoe Street & 207 Farms Road, Woodville (subject lands) and to provide land use rationale in support of the proposed BESS.

In November 2024, Ontario's Minister of Energy directed the Independent Electricity System Operator (IESO) to procure new resources to support the province's growing power system. The IESO subsequently launched long term procurements (ELT1 and LT1) for energy supply and capacity. With the success of the first procurements, the IESO launched the Long-Term 2 RFP (LT2). Neoen is a proponent of the LT2 Request for Proposal. If chosen, Neoen would enter into a 20-year contract with the IESO to deliver the contracted capacity. Ontario currently has 27 BESS projects operational or under development as a result of these procurements.

The next step in the bid process is obtaining a confirmation of support from the City, referred to as a "Municipal Support Confirmation". This letter provides a brief outline of the land use planning rationale for the proposed BESS on the subject lands to help inform the Municipal Support Confirmation.

Proposed Project

Energy storage is a globally established technology that is used to fulfill the reliability needs of the electricity system. Typically, energy is used as it is produced, which results in energy being wasted if it is not consumed. Energy storage technology helps to stabilize the power grid by withdrawing energy from the grid during off-peak hours when demand is low and re-releasing that energy back into the grid when it is needed most. BESS can support equitable energy by improving energy access, affordability, and reliability.

BESS facilities are self-contained, comprised of lithium-ion batteries enclosed in fully sealed, weather-proof modular enclosures. Infrastructure of a facility includes the battery units, transformers and inverters as well as a substation that connects to the Hydro One transmission line. BESS are temporary uses because over time, the lithium-ion batteries lose capacity (i.e. they cannot last forever). No permanent infrastructure or lot creation is required for the BESS. The proposed facility is expected to have a lifespan of approximately 20 years, after which time it will be decommissioned and removed.

The subject lands have been selected to host a BESS based on proximity to the Hydro One transmission line and deliverable capacity of the transmission line to handle the energy of the BESS. Neoen is proposing to lease a portion of the subject lands from the landowner and establish the facility on the leased portion of the lands.

The balance of the lands will remain in agricultural use, and the leased lands will return to agricultural use once the facility is decommissioned.

The BESS project aligns with the landowner's goal to diversify farm income. The project will not displace any existing agricultural operations or investments, and lease revenues will be reinvested into farm operations. This includes plans to expand the dairy operation consisting of a new dairy barn, growing the herd, and adopting automated robotic milking technologies, all of which will ultimately support long-term productivity and sustainability of the farm.

Policy Review

The Provincial Planning Statement (PPS) establishes the land use framework for implementing BESS. The PPS recognizes energy storage systems as a form of energy supply. Specifically, 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.

The PPS provides a definition of infrastructure, which includes electricity transmission and distribution. Energy storage is considered part of the transmission and distribution system and is therefore considered infrastructure as defined by the PPS.

The subject lands comprise rural lands, being prime agricultural area. The PPS requires an agricultural systems approach to support and foster the long-term economic prosperity and productive capacity of the agri-food network. The agricultural system is not only comprised of the agricultural land base but also the infrastructure, services and assets that support the agri-food sector. BESS facilities are part of the infrastructure that provides a reliable and consistent source of energy for agricultural producers.

Permitted uses in prime agricultural areas include agricultural uses, agricultural related uses and on-farm diversified uses. Non-agricultural uses can also be permitted as limited non-residential uses. Infrastructure would qualify as limited non-residential.

On-farm diversified uses are defined in the PPS and include electricity generation facilities and transmission systems, and energy storage systems. As result, the province recognizes and permits BESS facilities in prime agricultural areas as on-farm diversified uses. Additionally, BESS are also considered to be a form of infrastructure, and infrastructure is part of the agricultural system. Infrastructure uses can be implemented in prime agricultural areas as limited non-residential uses. Therefore, in prime agricultural areas, there are two pathways for implementing a BESS: either as an on-farm diversified use or as a limited non-residential use. Determination of which pathway can be determined by local planning policy.

Similar to the PPS, the City of Kawartha Official Plan considers 'electrical power' as infrastructure. Since BESS facilities are part of the electric power grid they are considered infrastructure based on the Official Plan's definition. However, there are no policies which permit infrastructure as-of-right in any designation. Given the lack of policy direction regarding infrastructure use, an amendment to the Official Plan is required to establish a site-specific policy on the subject lands permitting the BESS.

With respect to the Zoning By-law, the Township of Eldon Zoning By-law 94-14 permits infrastructure in any zoning category and the definition of infrastructure in the By-law includes "electric power transmission lines and transformers". BESS facilities consist of battery units, substations, transformers and transmission lines. BESS facilities do not generate or produce electricity, rather they are supplemental infrastructure that capture and release energy as needed. BESS may be captured within this definition and therefore permitted as-of-right in any zone.

Summary

- Energy storage is captured within the definition of infrastructure under the PPS. This supports the interpretation that BESS are a form of infrastructure.
- BESS infrastructure is important part of the agricultural system as it supports overall agri-food network by providing a consistent and reliable source of energy to agricultural producers.
- Within prime agricultural areas, on-farm diversified uses are permitted, defined to include energy storage systems. Non-agricultural uses may also be permitted as limited non-residential uses, provided they align with local and provincial policy direction.
- BESS can be implemented in prime agricultural areas in one of two ways: (1) as an on-farm diversified use per policy 4.3.2 of the PPS, or (2) as a limited non-residential use (infrastructure) per policy 4.3.5.1(b) of the PPS. The PPS is the foundation for land use planning in Ontario and provide policies that support BESS in prime agricultural areas.
- The Official Plan defines infrastructure as physical structures forming the foundation for development, including electric power systems. As BESS are components of the electric power grid, they are captured under the definition of infrastructure.
- There is a policy gap in the Official Plan regarding infrastructure land use permissions as there is no "as-of-right" permission for infrastructure. Because of this policy gap, a site-specific Official Plan Amendment (OPA) would likely be required to permit the BESS on a portion of the lands.
- The in-effect Zoning By-law 94-14 specifies that no regulations within the By-law are to prevent the use of land for infrastructure. This provides as-of-right permissions for infrastructure uses within any zone, including agricultural lands. BESS can be reasonably interpreted as "infrastructure" and therefore permitted as-of-right in the Agricultural zone.
- BESS can be appropriately integrated into agricultural areas under existing policy mechanisms.

Respectfully submitted,

MHBC



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