



**TOWN OF MINTO**

**MEETING DATE:**

December 5, 2023

**REPORT TO:**

Mayor and Council

**SERVICE AREA:**

Economic Development

**SUBJECT:**

EC DEV 2023-024 - Nexus Renewables Request for  
Municipal Support

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**RECOMMENDATIONS:**

THAT the Council of the Town of Minto receives the report EC DEV 2023-024 regarding Nexus Renewables Request for Municipal Support and grants a Municipal Council Support Resolution for battery energy storage system Minto BESS by Nexus Renewables.

**BACKGROUND:**

The Town of Minto sold land to NRStor Inc. in 2013 and in 2014 the 2-megawatt flywheel facility began operations. This project was the first grid-connected commercial flywheel facility in Canada and provided regulation service to Ontario's Independent Electricity System Operator (IESO). Regulation service is a contracted service that matches scheduled electricity generation to dynamic consumption, balancing the grid in real time. A flywheel is a mechanical battery that stores electricity as kinetic motion in a spinning steel rotor levitated on magnetic bearings.

In December 2022, representatives from NRStor Inc. presented to Council noting that the contract with the IESO for this facility was set to expire in early 2023. At the time NRStor was proposing to redevelop the Minto Energy Storage site to incorporate a new Battery Energy Storage Project that would provide the longer duration energy storage services that the Ontario grid needs today. The IESO was undertaking a procurement process E-LT1 RFP to secure 3,500 MW of new capacity, of which up to 2,500 MW was expected to be Energy Storage. NRStor was a Qualified Applicant for the IESO's RFP process.

At that meeting the Council provided Municipal Council Support to NRStor Inc. to move forward with their application, however, in January 2023, NRStor Inc. informed staff that they were holding off on applying to the first procurement round and were going to prepare to apply in the fall. In October 2023, staff were contacted by Andrew Lin from Nexus Renewables informing us that they were in discussions with NRStor Inc. about acquiring 200 John St. in the Harriston Industrial Park and were planning to submit the site for a 10MW battery energy storage facility. Mr. Lin and Keith Sandor from Nexus Renewables delegated to Council on November 21, 2023, where Council requested a staff report.

## **COMMENTS:**

### **Building & Planning Department Comments:**

The Building and Planning Department have no objections to the proposed battery storage facility, but want the proponent to be aware that:

- A Building Permit is required for the individual battery storage structures;
- Development Charges, if applicable, are due at the time the Building Permits are issued;
- Site Plan Approval may be required to be obtained prior to the issuance of the Building Permits; and
- Buffering is required along the frontages of Hutchison and John Streets.

### **Minto Fire Department Comments:**

Minto Fire does have concerns if on the rare occasion a battery or rack of batteries catches fire. There is no current method to extinguish lithium-ion battery fires. Our goal would be to flow water on surrounding units to keep them cool while the unit under fire burns itself out. It is unknown how long this would take and how much water would be needed to conduct these operations. Further examination of our water supply and needs for fire protection would be recommended.

### **Economic & Community Development Comments:**

As noted during the presentation from Nexus representatives there will be no employment onsite, this is the case now with the Flywheel Facility. Representatives noted that they do like to sub-contract with local companies during construction and on-going maintenance of the facility.

## **FINANCIAL CONSIDERATION:**

The property currently has a Commercial Assessment of \$538,000. This generates taxes of \$14,569 with Minto's share being \$4,548.

The proposed battery storage containers will likely have a relatively low assessed value and generate correspondingly lower tax revenue. This has been the case for similar facilities constructed in southern Ontario. The removal of the flywheel technology equipment and associated infrastructure will likely contribute to the reduced property assessment.

However, this amount will not be known until the renovations and repurposed uses are evaluated by the Municipal Property Assessment Corporation (MPAC) after they are completed.

## **STRATEGIC PLAN:**

Promote sustainable growth and development, and strategies that make Minto an attractive place for families to live and for businesses to prosper and pursue development in settlement areas consistent with the character of the area.

Implement the Integrated Community Sustainability Plan, continue to be a leader in Environmental consciousness, and proceed with energy conservation initiatives including recognizing employees who develop and implement environmentally friendly practices.

Develop a Green Energy Plan according to Provincial guidelines, recognize environmental and conservation efforts in Minto, and support public education on conservation through web based and print material.

Investigate the possibility of using biofuels, hybrid or other environmentally friendly vehicles, equipment and practices if cost effective and efficient.

**PREPARED BY:** Belinda Wick-Graham, Director, Economic & Community Development

**RECOMMENDED BY:** Mark Potter, Interim Chief Administrative Officer