



MEMO/NOTEDESERVICE

To / Destinataire Mayor and Members of Council

From /
Expéditeur Debbie Stewart
General Manager
Strategic Initiatives Department

Subject / Objet Municipal Support Resolution Date: June 4, 2025
Request for South March Battery
Energy Storage Facility: Overview
and Considerations for Council

The purpose of this memo is to provide Members of Council with an overview of key considerations regarding the request from Evolgen and the Algonquins of Pikwakanagan First Nation for a Municipal Support Resolution for the proposed Battery Energy Storage System (BESS) Project located at 2555 and 2625 Marchurst Road.

This information is being provided further to the [motion](#) approved by Council on Wednesday, May 28, 2025 referring the request for a municipal support resolution (MSR) to the June 5, 2025 meeting of the Agriculture and Rural Affairs Committee (ARAC) for recommendation to City Council at their meeting of June 11, 2025.

Key Considerations for Council:

- The MSR is the mechanism by which municipal governments can endorse IESO projects within their jurisdictions. It is a procurement requirement of the [Independent Electricity System Operator](#) (IESO) and does not replace or predetermine the formal planning process.
- The MSR does not preclude projects from having to obtain any municipal development approvals or permits to be built, over which Council retains full decision-making authority regardless of whether an MSR is approved.
- Comprehensive technical studies, such as a detailed site plan, noise and safety assessments, environmental impact assessment and emergency services evaluations are not yet available as these studies are required as part of the planning approvals process, which has not yet begun.
- Mandatory public consultation as required under the *Planning Act* has not yet occurred as the City has yet to receive a zoning by-law application for this project.

Background

Ontario's electricity demand is growing and the Province is taking steps to secure new energy resources to meet this demand through one of the largest multi-phase competitive energy procurements in Canadian history. Ottawa's energy demands are also expected to grow over the next 20 years. The primary drivers of this increased demand are population growth,

economic growth, digital transformation, and decarbonization initiatives in the city, which promote the intensification of electricity use. There is also pressure on the electrical grid arising from obsolete and aging infrastructure.

To help manage this, the Province is investing in battery energy storage systems. These systems store excess electricity that is generated during off-peak periods, then release it back into the grid during times of peak demand. This helps balance supply and demand more efficiently, reduces strain on the grid, and supports the overall reliability of the electricity system.

In 2022, the Province, through the [Independent Electricity System Operator](#) (IESO) initiated the Long-Term 1 (LT1) Request for Proposals (RFP) to competitively procure new electricity capacity to meet future system needs. This includes both battery energy storage facilities and other resources, like natural gas, to ensure a reliable and affordable electricity supply across Ontario.

Battery energy storage plays a crucial role in the IESO's electrical demand management by providing flexible and reliable electricity supply, acting as both a storage and demand resource. The IESO is procuring this technology to improve grid reliability, support clean energy integration, and potentially defer expensive infrastructure upgrades.

For any LT1 projects proposed in an area governed by a municipal government, the IESO proponents are required to obtain a Municipal Support Resolution (MSR) from City Councils. The MSR is the mechanism by which municipal governments can endorse IESO projects within their jurisdictions. The MSR does not preclude projects from having to obtain any municipal development approvals or permits to be built. Successful proponents are required to submit proof of municipal support in the form of an MSR within 20 months of their contract to award.

In December 2023, City Council granted a [Municipal Support Resolution](#) to a proposed BESS project at 4186 William McEwen Drive, situated in Ward 21. Three (3) other BESS projects, which were proposed in Ward 5, were not approved. The primary reasons for the refusal were concerns raised during the proponent-led consultations with residents and the Ward Councillor. Given the proximity of the proposed BESS projects to rural residential and agricultural lands, many residents were not satisfied with the information provided (e.g. fire emergency response, impacts to groundwater resources, and public safety).

In May 2024, the IESO awarded contracts to two (2) BESS projects in Ottawa, the project on William McEwen Drive and a second, proposed in Ward 5, in proximity to the community of Fitzroy Harbour. In early 2025, the project proponent gave notice that the proposed Fitzroy BESS project would be moved to a site approximately 13 km away to another site at 2555 and 2625 Marchurst Road and renamed as the "South March BESS".

In February 2025, City Council approved policies through an Official Plan Amendment and Zoning By-law Amendment ([ACS2025-PDB-PS-0016](#)) clarifying where and how Battery Energy Storage Systems (BESS) may be permitted in Ottawa. As part of this decision, Council directed that any future request for a Municipal Support Resolution (MSR) related to a BESS project selected under the LT1 procurement, must be considered as part of the required Zoning By-law Amendment application, as two separate decisions within one report. Given that IESO had

awarded the LT1 contracts, this process was established to specifically address the South March BESS as it would allow for both decisions to be considered at the same time, with applicable studies submitted.

On March 18, 2025, Official Plan Amendment #36 that was approved by Council in February 2025 was appealed to the Ontario Land Tribunal (OLT). On May 26, 2025, the appeal was withdrawn. The Official Plan Amendment is therefore now in full force and effect.

South March BESS: MSR Request and Provincial Designation

In May 2024, the South March BESS project was awarded a contract without having secured a MSR from City Council. Given that the MSR had been requested but refused, the proponent (Evolugen) is seeking to obtain an MSR in advance of submitting applications for planning approvals. In a letter to the City dated May 25, 2025, Evolgen indicated that the appeal of the City's process to the OLT had created uncertainty and that securing the MSR now would provide the proponents a clear signal to continue advancing their work to achieve critical milestones established by the IESO. A copy of the letter was shared with Members of Council on May 26, 2025, and is attached to this memo as Document 1 for ease of reference.

The Minister of Energy has identified the South March project as a provincial priority and has issued a letter to the Mayor urging municipal support. Following confirmation from the Minister that the letter could be shared publicly, a copy was shared with Members of Council on June 3, 2025, and is attached to this memo as Document 2 for ease of reference.

In response to the proponent's request, on May 28, 2025, Council approved a [motion](#) to suspend the rules of procedure and add the MSR item to the agendas of the June 5 ARAC meeting and the June 11 Council meeting.

Municipal Support Resolution (MSR) - Purpose and Limitations

The primary purpose of an MSR is to demonstrate that the local municipality is willing to host the project. However, it is important to clarify that an MSR is not a planning approval and does not commit Council to any future land use decisions. It does not waive municipal, provincial, or federal regulatory requirements, and it does not obligate Council to approve any future Zoning By-law Amendment (ZBA) applications. The MSR is a procurement tool within the IESO framework and does not prejudice Council's authority under the *Planning Act*. An MSR for the proposed project at 2555 and 2625 Marchurst Road is required by February 2026 for the proponents to meet their contractual obligations with the IESO.

Preliminary Information Available to Staff

A ZBA application has yet to be submitted for the relocated site. A high-level screening of the properties proposed does not suggest any natural heritage constraints that would preclude the facility, and no unusual or specialized environmental studies are required beyond an Environmental Impact Study in accordance with the City's Guidelines to demonstrate no negative impact on adjacent natural areas and natural features.

The applicable policy requirements for BESS as a principal use are set out in the Official Plan, which dictates a minimum 150-metre setback from sensitive land use and a 10-metre setback from forested areas. The project will also be subject to national and industry safety standards, such as Hydro One's Fire Protection Risk & Response Assessment Standard (FRRAS), the

National Fire Protection Association (NFPA) 855 standard, and UL 9540 and 9540A standards related to fire safety testing and energy storage.

Outstanding Information Pending Formal Zoning Application

Despite the preliminary screening and zoning context, there are several areas where staff are currently unable to provide informed comments or recommendations to Council because a Zoning By-law Amendment (ZBA) and Site Plan Control (SPC) applications have not been filed. Staff do not yet have access to site-specific layout, including grading, servicing, or infrastructure design. A range of required technical studies—such as environmental impact studies, hydrogeological assessments, noise and vibration modelling, tree conservation reports, and emergency response plans—have not yet been submitted for review. Additionally, Ottawa Fire Services has not had the opportunity to conduct a site-specific fire risk assessment, nor has it been able to assess fire water supply requirements or training needs. Public consultation required under the Planning Act has not taken place.

There is no requirement for this information to be provided for an MSR to be granted. Council approved an MSR for the BESS project on William McEwen Drive without having this information. Further information, assessments, and consultation will be considered as part of ZBLA and SPC applications.

Summary

Council is being asked at this time to provide evidence of municipal support for a project that has been identified as a provincial energy priority. An MSR is not a planning approval and does not commit Council to any future land use decisions. While preliminary environmental screening has not identified immediate constraints, critical technical studies, detailed site layout information, and emergency services input would be forthcoming as part of the planning approval process for this project.

Next Steps in the Process

The MSR request is scheduled to be considered by ARAC at its meeting on June 5, 2025. Final consideration by Council is expected on June 11, 2025. If the MSR is approved, the City Clerk will be authorized to sign the document and share with the Province. The proponent would then be expected to submit the required ZBLA and SPC applications. Once received, staff will initiate a comprehensive technical review and public consultation process, in accordance with the Planning Act. A full planning report, including staff recommendations, will be brought forward to ARAC and Council following a detailed review of the complete planning record.

If you have any further questions, please contact me at Debbie.Stewart@ottawa.ca or Nichole Hoover-Bienasz, Director, Climate Change and Resiliency Services at Nichole.Bienasz@ottawa.ca.

Sincerely,

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