

Ministry of Energy and Mines

Ministère de l'Énergie et des Mines

Office of the Minister

Bureau du ministre

77 Grenville Street, 10th Floor
Toronto ON M7A 2C1
Tel.: 416-327-6758

77, rue Grenville, 10^e étage
Toronto ON M7A 2C1
Tél.: 416-327-6758



MC-994-2025-607

April 15, 2025

His Worship Mark Sutcliffe
Mayor
City of Ottawa
110 Laurier Avenue West
Ottawa ON K1P 1J1
mark.sutcliffe@ottawa.ca

**Subject: City of Ottawa – Battery Energy Storage Systems (BESS) –
Land Use Planning Considerations**

Dear Mayor Sutcliffe:

I understand the City of Ottawa has updated both its current official plan and zoning by-law through an official plan amendment (OPA) and zoning by-law amendment (ZBA) process under the *Planning Act* in order to provide a land-use policy framework to manage the future siting and location of Battery Energy Storage Systems (BESS) facilities.

Specifically, I would like to thank you for designating a number of utilities, including Hydro Ottawa and Hydro One Networks Inc., for an exemption. In addition to these utilities, I would encourage you to include all BESS proponents in this exemption, to ensure a level playing field.

After more than a decade of stable electricity supply, and at times, a surplus, the Independent Electricity System Operator (IESO) has forecasted that Ontario will see a capacity need emerging in 2025/26 and growing through the latter part of the decade, including in the Ottawa Region.

To support energy needs in the Ottawa Region and eastern Ontario more generally our government has already prioritized the construction of a new 230 kV transmission line from Dobbin Transformer Station to Clarington Transformer Station, which should help to address some of the constraints that could otherwise limit future load growth in the Ottawa area. The IESO is also undertaking bulk system planning in eastern Ontario and has identified the City of Ottawa as a 'key focus area' in their planning. While transmission expansions help to address local reliability, new generation and/or storage resources will be necessary to ensure local reliability is maintained, in a cost-effective and timely manner.

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BESS facilities are one type of technology that will help the city and province meet its electricity needs. Battery storage systems play a crucial role in Ontario's electricity system by providing flexibility and resilience. They help balance supply and demand, especially during peak hours, by storing excess energy when demand is low and releasing it when needed. This reduces reliance on traditional peaker plants, enhances grid stability, and is crucial for the integration of renewable energy sources like wind and solar.

Municipalities that make the approval and permitting process for BESS projects overly onerous or prohibitive endanger their region's growth and the province's ability to meet forecasted electricity demand, which is projected to increase by 75 per cent by 2050. If the province cannot address the grid's capacity needs with battery storage systems, it will reduce the overall cleanliness of Ontario's electrical grid, while also increasing costs for ratepayers.

The city's proposed requirement of a site-specific zoning by-law amendment for each BESS project will significantly lengthen their approval process, thus jeopardizing current contractual obligations with the IESO. Should the city proceed with requiring site-specific zoning by-law amendments for BESS projects, we ask that the city promptly review and approve these planning applications before key IESO contractual deadlines (e.g., January 8, 2026), specifically for the South March BESS site. We appreciate a Municipal Support Resolution (MSR) is also necessary for this project.

I would be happy to discuss this matter further with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Lecce", with a long horizontal flourish extending to the right.

Stephen Lecce
Minister

- c: Hon. Rob Flack, Minister of Municipal Affairs and Housing
Robert Dodd, Chief of Staff to the Minister of Municipal Affairs and Housing
Martha Greenberg, Deputy Minister of Municipal Affairs and Housing
Matt Hiraishi, Chief of Staff to the Minister of Energy and Mines
Susanna Laaksonen-Craig, Deputy Minister of Energy and Mines