

Municipal Council Resolution Request

Markham City Council

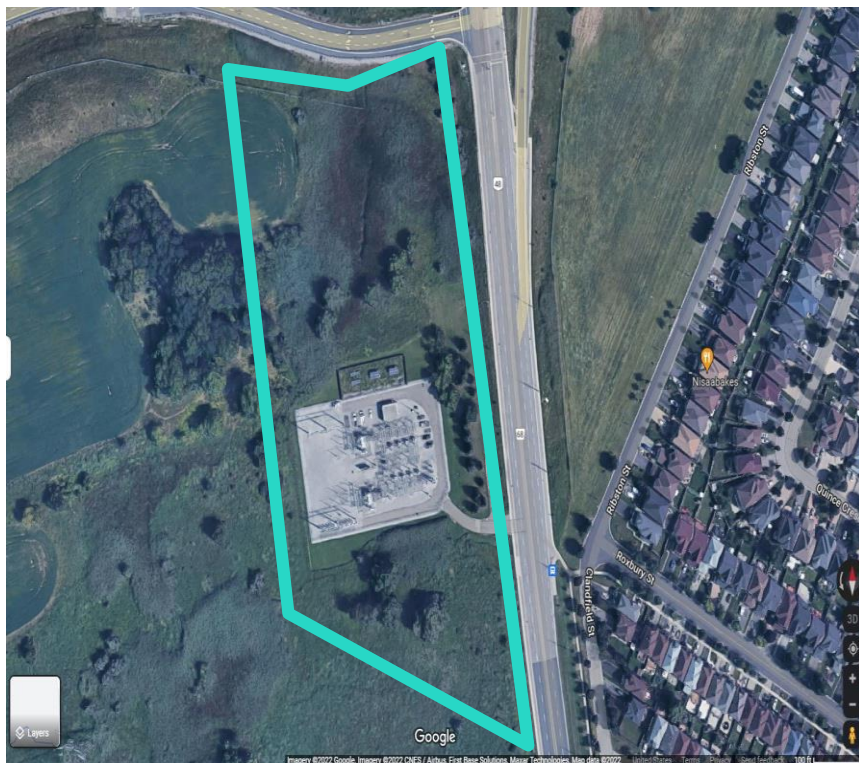
December 6, 2022

- In partnership with Convergent Energy + Power, Alectra has qualified for an Independent Electricity System Operator (IESO) procurement to provide capacity to the system through new battery storage assets.
- Projects are evaluated primarily on bid price, but there are also non-price criteria which can enhance the score of a proposed project. One such criteria is a Municipal Council Resolution local governing body support.
- A Municipal Council Resolution is an ultimate requirement of all successful bids, however, obtaining **Municipal Council Support Resolutions before Dec. 20, 2022**, will improve applicable project scores and increase our chances of bringing your project to fruition.

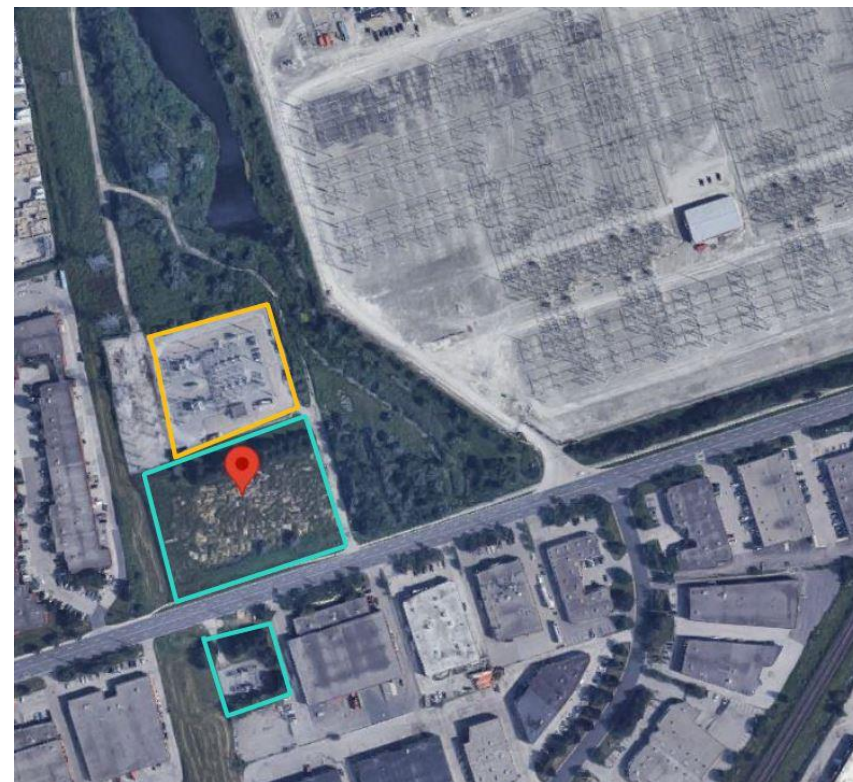
Local Governing Body Support Resolutions

- 3 points awarded for evidence of having obtained local community support through a Local Governing Body Support Resolution

There are two applications submitted for Markham projects:



One project site is located on Alectra's A.M. Walker Transformer Station (Markham MTS #2) property at 7970 Markham Road (R.R. 68).



The other proposed project site is located next to Alectra's J.V. Fry Transformer Station (Markham MTS #1) at 3430 14th Ave.

Financial:

- Dividends: Alectra Energy Services, a subsidiary of Alectra Inc, stands to benefit from consistent revenues as a successful proponent of this RFP.
- Increased property tax and permitting revenues for the City

Reliability and resiliency:

- New local storage assets would result in reduced outages in the community during extreme weather events, and improve Alectra's restoration timeline when outages do happen.



Jobs and Economic Development:

- Battery Energy Storage Systems (BESS) support faster and more affordable connection of new loads, and are an alternative to traditional poles and wires infrastructure.
- This will allow Markham to be more strategic in realizing their economic development goals when sourcing large projects, such as film studios, data centres and manufacturing facilities.

Environmental benefits:

- New storage capacity will reduce Ontario's need to rely on gas generation in the coming years.
- Battery storage is clean and generally uses non-emitting power such as hydro, nuclear and renewables generated at off-peak times.



What it does:

- Utility scale BESS consist of one or more batteries typically used to balance the supply and demand of the provincial electricity grid.
- These systems also have the capability to improve grid stability and provide backup power in some applications.

Technology specs:

- Only proven and top tier equipment suppliers will be used. Long-term quality and capacity guarantees will be basic requirements, along with superior safety related track records.
- Specific power density and system efficiencies vary slightly and may impact space and other project specific information.



Size of proposed projects:

- Site 1 (Markham MTS #2): Up to 200,000 sq.ft. pending IESO site approvals
- Site 2 (Markham MTS #1): Up to 15,000-85,000 sq.ft. pending IESO site approvals.

Safety:

- Safety of operations is paramount, and a main component of these installations. Tier 1 suppliers include safety in all aspects of their designs from the individual battery cell design to factory installed connections between cells, up to system level battery monitoring systems (BMS) that incorporate the latest in multi-level fault detection, isolation, and protection features.

Noise emissions:

- Noise emissions are generally lower than many HVAC systems and environmental studies will be performed at each site to ensure no adverse impacts to all adjacent properties and surrounding areas.

Beautification:

- Will work with the City of Markham to adhere to all zoning, landscaping and beautification standards on and around the sites.
- The sites will be monitored and secured on a 24/7 basis to ensure safety of all in the direct vicinity.



Alectra's Request

- Alectra is seeking the support of Markham City Council through a Municipal Council Support Resolution.

Name of the Long-Term Reliability Project:	Markham Battery Energy Storage Systems
Proponent:	Alectra Convergent Development JV
Technology of the Long-Term Reliability Project:	Lithium-ion Battery Storage, 4 hours duration
Maximum Contract Capacity of the Long-Term Reliability Project (in MW):	Project #1 (Markham MTS #2): Between 20 MW and 100 MW, depending on results of the IESO Deliverability Assessment Project #2 (Markham MTS #1): Between 7.5 MW and 30 MW, depending on results of the IESO Deliverability Assessment
Legal description of the portion of the Project Site that is located on lands subject to the authority of one or more Municipalities:	The City of Markham Municipal Boundary



Sample Council Resolution

FORM OF MUNICIPAL SUPPORT RESOLUTION

Resolution NO: ____ Date: ____

[Note: The Municipal Support Resolution must not be dated earlier than January 27, 2022.]

WHEREAS:

1. The Proponent is proposing to construct and operate a Long-Term Reliability Project, with the characteristics outlined in the table below, under the E-LT1 RFP.
2. Pursuant to the E-LT1 RFP, Proposals that receive the formal support of the local jurisdictional authorities of all the project communities in which the Long-Term Reliability Project is located in the form of a support resolution will be awarded Rated Criteria points for the purpose of ranking the Proposal in relation to other Proposals for a contract under the E-LT1 RFP;
3. Pursuant to the E-LT1 RFP, Proposals that did not receive the formal support of the local jurisdictional authorities of all the project communities in which the Long-Term Reliability Project is located in the form of a support resolution may be required under the E-LT1 Contract to be awarded pursuant to the E-LT1 RFP to submit such support resolution for compliance with its obligations; and

Sample Council Resolution (continued)

NOW THEREFORE BE IT RESOLVED THAT:

1. The council of Markham supports in principle the development, construction and operation of the Long-Term Reliability Project on the Subject Lands as follows: Markham #2 (7970 Markham Rd.) and Markham #1 (3430 14th Ave).
2. This resolution's sole purpose is to enable the Proponent to pursue the receipt of Rated Criteria points under E-LT1 RFP or to satisfy its obligations under any awarded E-LT1 Contract and may not be used for the purpose of any other form of approval, including but not limited to any municipal approval required in relation to the Proposal or Long-Term Reliability Project or for any other purpose. Rated Criteria points will be used to rank the Proponent's Proposal in relation to other Proposals received by the IESO under the E-LT1 RFP.
3. Though this resolution may impact the rank of the Proponent's Proposal in relation to other Proposals received by the IESO, it does not guarantee a contract will be offered to the Proponent under the E-LT1 RFP.

DULY RESOLVED BY THE LOCAL MUNICIPALITY

on the _ day of __, 20_.