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Ministry of Energy – ERO: 019-2531

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Notice Type: Regulation
Act: Ontario Energy Board Act, 1998
Posted by: Ministry of Energy, Northern Development and Mines

Date: November 20, 2020

For the attention of Cassandra Rosen:

Comment letter – ERO - 01902531

In 2018 the Town of Parry Sound set a goal of becoming a net-zero community, working alongside Lakeland Holding Ltd. and its subsidiary companies Bracebridge Generation and Lakeland Power. At the time of this pledge, the IESO submitted the Long- Term Energy Plan (LTEP) that identified a capacity constraint on the Parry Sound Transmission Station, which meant:

- Limited ability to expand tax base and attract new businesses or expand operations of current businesses.
- TS upgrade would cost over \$30 million, at an eventual expense to the taxpayer, which in turn could put the Town of Parry Sound at risk of rising electricity costs.

Taking into consideration the desire of becoming a net-zero community and the concern relating to the Parry Sound TS, the Town of Parry Sound and Bracebridge Generation looked at ways to reduce the constraint thus enabling the much-needed capacity for new development.

A Memorandum of Understanding (MOU) was entered into with Lakeland Holding Ltd. The intended result is that the town generates enough electricity to offset the entire usage of all the Town's assets (Town Hall, Bobby Orr Community Centre, water treatment plants, streetlights etc.), to manage and control the Town's own energy costs, all while looking at ways to reduce the constraint on the system.

Working closely with Bracebridge Generation, due diligence identified potential locations for a solar array, one of which was the Town of Parry Sound's closed landfill site at 57 MacFarlane Street, Parry Sound. After completing all required environmental criteria, the first solar location was confirmed.

The vision for this net-zero community continued to evolve through discussions with project partners and led to the development of project SPEEDIER.
Smart, Proactive, Enabled, Energy Distribution; Intelligently, Efficiently, Responsive
www.speedier.ca

Objective:

The objective of this project is to modernize the Town of Parry Sound's electricity grid to facilitate the shift towards a net-zero smart community. This is an opportunity to leverage existing initiatives by using advanced grid modelling and system planning tools as well as a Distributed Energy Resource Management System (DERMS) for increased visibility and control.

How:

- Installation of Distributed Energy Resources (500kW Solar and 1,257kW Battery Energy Storage System), owned by Bracebridge Generation on land leased from the Town of Parry Sound.
- Installation of Internet of Things Demand Response Devices (Level II and III EV Chargers, Hot Water Tank controllers, Residential Battery Energy Storage systems)
- Design and operation of a Microgrid located in Parry Sound on the MS3-F1 Feeder.
 - When the grid is down, an "island" will be created that can power 165 customers.
- All controlled by the DERMS platform.

Relevance to the regulation amendment:

Ontario's Net Metering Proposal Summary: We are proposing amendments to Ontario's net metering regulation that allow for demonstration of community net metering projects. Building on the current net metering framework, community net metering would support the development of innovative projects such as net-zero communities using distributed energy resources.

The proposed regulatory changes, if approved, would provide an opportunity to test how net metering could provide a framework for integrating generation and other distributed energy resources, such as energy storage, in a local community setting. The Ministry is seeking input on the proposed community net metering requirements, including flexibility that may be needed to encourage innovation in integration of distributed energy technologies and applications.

Project SPEEDIER

The Town of Parry Sound owns two adjacent properties, the wastewater treatment plant and the closed landfill. The solar facility is constructed on the landfill to offset the load of the wastewater treatment plant some 400m away. Both locations are on the same electrical feeder.

Lakeland Holding Ltd and its subsidiary companies are committed to demonstrating a balanced metering solution, consisting of one customer and one LDC. Once this solution has been demonstrated it can be utilized throughout the Province.

The Town of Parry Sound's net-zero community and Lakeland Holding's project SPEEDIER are key projects that could be utilized and provide learnings to demonstrate how the proposed net metering framework could work.

The details provided within this comment letter outline the reasons why the Town of Parry Sound supports the proposed amendment to Ontario's net metering regulation.

If you require any further information pertaining to the Town of Parry Sound's net-zero community vision, please do not hesitate in reaching out.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jamie McGarvey', with a long horizontal line extending to the right.

Jamie McGarvey
Mayor, Town of Parry Sound