



Public Feedback to Ontario's Integrated Energy Resource Plan Consultation

Environmental Registry of Ontario (019-9285)

December 13th, 2024





From: EVLO ENERGY STORAGE INC.
1804, boulevard Lionel-Boulet
Vareennes, Québec
J3X 1S1

To: Policy Coordination and Outreach Branch
Ministry of Energy and Electrification
77 Grenville Street
Toronto, Ontario
M7A 2C1

Subject: EVLO Energy Storage Inc. comments - Ontario's Integrated Energy Resources Plan Consultation

EVLO Energy Storage Inc. ("EVLO") appreciates the opportunity to contribute to Ontario's Integrated Energy Resource Plan (IERP). As a wholly owned subsidiary of Hydro-Québec, EVLO is the only fully Canadian-owned provider of large-scale Battery Energy Storage Solutions (BESS) systems. With over 540 MWh of storage contracted or deployed across Canada, the United States, and Europe, including five being developed in Ontario, EVLO brings extensive expertise to advancing energy storage solutions.

On October 17, 2024, the Independent Electricity System Operator (IESO) released its updated demand forecast, projecting a 75% increase in Ontario's electricity needs by 2050, up from the 2024 Annual Planning Outlook (APO) forecast of 60%. The updated demand forecast also highlights that annual electricity demand in 2035 will be 12 TWh higher than originally predicted. Additionally, on December 11, 2024, the Minister of Energy and Electrification announced a significant adjustment to the Long-Term 2 Request for Proposals (LT2 RFP), increasing the target by 50% from 5 GW to 7.5 GW. This reflects the province's growing energy needs, driven by industrial growth and broader socio-economic development.

As Ontario's electricity system decarbonizes and expands to support its evolving needs, flexibility and resilience are more crucial than ever. In this context, energy storage becomes a critical element in creating a clean, reliable and affordable electricity grid.

Energy storage, such as the solutions provided by EVLO, plays a critical role in integrating renewable and intermittent energy sources like solar and wind. These technologies not only enhance grid reliability and promote energy self-sufficiency but also reinforce grid resiliency. By providing an efficient solution to support peak demand periods and mitigate the impacts of extreme weather events that challenge the robustness of distribution networks, EVLO's storage systems are essential to accelerating Ontario's energy transition.

Whether BESS assets are used for transmission, distribution, grid forming, grid following, Front of the Meter or Behind the Meter projects, they prove energy storage's great flexibility and its valuable contribution to the energy mix.



Energy storage is becoming a key element when planning the investments required to modernize grids. Budgetary decisions are simplified by optimizing existing infrastructure, which allows certain investments to be deferred, thereby easing the pressure of energy costs on consumers.

However, ensuring a reliable energy supply to consumers also implies managing risks and cybersecurity risks that can jeopardize distribution networks. In today's global geopolitical environment, where securing energy infrastructure is a major concern for utilities, it is critical to ensure that the new energy assets integrated to existing infrastructures are secure. This is true for EVLO's storage systems, which meet the highest security standards, are NERC-CIP ready, and operate on a proprietary North American energy management system (EMS).

Beyond security, the reliability of energy systems also depends on the strength of the domestic supply chain. We believe that the development of a North American supply chain is central to a successful strategic planning of the energy supply. With several BESS projects in Canada, including five being developed in Ontario, EVLO is well positioned to support the development of a domestic supply chain and strongly encourages the Ontario government to introduce domestic preference mechanisms in requests for proposals, such as the ongoing long-term procurements. Such measures would help secure energy supply to support the growth of Ontario's economy.

These measures could include financial compensation for the use of domestic content, in the form of subsidies, preferential tariffs, credits or taxes, or incentives to encourage Canadian developers to work with Canadian system suppliers, thereby contributing to the development of an integrated, national value chain.

Among the challenges facing Ontario's energy system, we recognize that meeting the growing energy needs of the province while fostering community acceptance of the integration of new energy technologies is complex.

The story of EVLO and our affiliation with one of Canada's largest electricity suppliers make us especially sensitive to these issues and is reflected in our approach to new project and their specificities. Whether we deploy a BESS close to an urban center, more sensitive to noise nuisance, or in a remote community, as we did in Quaqaq and Kuujuarapik in Northern Quebec, social acceptance is one of our top priorities. We take concrete measures which may include presentations to public security or fire protection departments, or to municipal bodies to further explain how their communities can benefit from our systems and how they can best integrate them to their local grids.

In closing, EVLO would like to reaffirm its support to the Ontario government's ambitious plan and transparent approach to securing a clean, affordable and reliable energy supply.

On behalf of EVLO, I thank you for considering our comments and recommendations.

Best regards,

A handwritten signature in black ink that reads 'Jean Lachance'.

Jean Lachance

Chief Assets Officer

lachance.jean@evloenergie.com
514 898-4175



EVLO

evloenergy.com