

February 12, 2025

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Subject: Response to Proposed Regulatory Amendments Under the Endangered Species Act – Conditional Exemption for the Operation of Wind Facilities

Potentia Renewables Inc. (Potentia) is a 100% Canadian-owned developer, operator and asset manager of renewable energy and storage assets. A wholly owned subsidiary of Power Corporation of Canada, Potentia manages over 1.3 GW of operating projects across Canada and the U.S., with a 2 GW development pipeline driving future growth. With a proven track record of executing large-scale projects and a commitment to excellence, sustainability, and Indigenous partnerships, Potentia is shaping the future of clean energy for generations to come.

Potentia appreciates the opportunity to provide comments on the proposed amendments to the conditional exemption for the operation of wind facilities under section 23.20 of O. Reg. 242/08. We recognize the importance of protecting endangered bat species while also ensuring the continued reliability and viability of renewable energy projects that contribute to Ontario's energy supply.

Concerns Regarding the Proposed Cut-in Speed Requirement

One of the key proposed amendments involves the “common approach” option for wind facilities impacting bat species at risk to implement a minimum cut-in speed of 7 metres per second (m/s) from dusk to dawn (May 15 to October 15). Potentia has significant concerns regarding this proposal due to its potential negative impact on energy generation and broader economic implications.

The registry posting indicates that increasing the cut in speed to 7 m/s will only result in a 4% reduction in generation. According to the Canadian Renewable Energy Association (CanREA), the industry association representing 350 diverse member companies working in wind, solar and energy storage, has collected operational data from several wind facilities operating in Ontario. With this data, they have confirmed that, as currently drafted, the proposed regulatory amendments for the new ‘common approach’ would result in energy production losses ranging from **3-13%, with a median of 7%**. The economic implications of this reduction are significant. Many wind facilities operate under long-term power purchase agreements that were structured with specific generation expectations. The loss of energy production due to an increased cut-in speed would negatively impact project revenues and possibly the overall financial viability, especially for facilities with narrow operating margins. Additionally, any future requirements for bat mitigation monitoring will add significant burden to those facilities not already required to conduct long term monitoring, or who have completed their monitoring requirements. This in turn could deter future investment in renewable energy projects within Ontario, contradicting the province's broader commitment to clean energy expansion. Potentia urges the Ministry to reconsider the 7m/s cut in speed for the common approach. See the recommendation section for further detail.



Recommendations

Potentia supports the adoption of a flexible approach to curtailment that protects bat species at risk while still allowing wind facilities to generate much needed electricity for the Ontario grid. Specifically, we recommend:

1. **Maintain the current conditional exemption:** Potentia supports CanREA's recommendation to maintain the current conditional exemption framework to minimize adverse effects on the newly listed bat species, allowing operators to register for the potential impact to migratory bats, and develop a site-specific mitigation strategy for their facility. This approach provides wind facility operators with flexibility to determine the most efficient and effective approaches to minimize adverse effects on bats, including smart curtailment, non-curtailment, variable cut-in speeds, adjustments to daily and seasonal timing windows, and other effective site-specific approaches, while mitigating significant negative impacts on energy production. This approach will address the fact that different wind facilities experience varying levels of bat activity depending on location and environmental conditions. Site-specific assessments should determine the most appropriate timing windows and curtailment levels to best protect species at risk while maintaining much needed, low-cost generation. Additionally, for wind sites that are spread out over a large geographical area, proponents should be given flexibility to specifically address problematic turbines rather than curtailing the entire site to address issues at a subset of turbines.
2. **Reduce cut in speed for the "common approach":** As stated earlier, Potentia maintains that the common approach to curtailment is too restrictive at 7 m/s. Potentia recommends maintaining a 5m/s cut in speed as the common curtailment. A cut-in speed of 7 m/s is substantially higher than existing curtailment requirements in other jurisdictions and would result in a significant reduction in electricity production from wind facilities. Potentia, like CanREA, is not aware of any scientific studies that show a significant and consistent reduction in bat fatalities at the proposed 7 m/s beyond those that can be achieved at lower curtailment levels, which supports that the relative benefit may be negligible, despite considerable negative impacts to the production of wind energy.
3. **Encouraging Smart Curtailment Technologies beyond acoustic monitoring:** Project owners should have the option to implement other smart curtailment technologies beyond acoustic monitoring, like ultrasonic deterrents to keep bats away from turbines. Technology exists that would enable operators to adjust turbine operation in response to actual bat activity, maximizing species protection while minimizing unnecessary energy loss.
4. **Create a cost-effective solution for Small Wind farms:** For small wind farms the loss of generation capacity paired with the addition of monitoring requirements will be onerous. For windfarms under 10 turbines, a low-cost solution should be provided to support their continued viability under the restrictions of the current power purchase agreements.

Administrative Considerations

Potentia supports the removal of the requirement for Ministerial approval of new mitigation plans. Streamlining administrative processes will help ensure that regulatory compliance remains efficient while maintaining robust environmental protections.

Further, Potentia recommends amending Ontario Regulation 242/08, Section 23.20, to allow for registration of a wind farm for the exemption after the wind farm has begun operation. This portion of the regulation should be



updated to open registration to all wind farms, regardless of operational status, to address compliance issues that may arise from ongoing monitoring. As it stands, this section of the regulation creates an unnecessary hurdle in compliance for a facility that has not already registered, and may be in operation for over 25 years, as operating facilities can not plan for changes in wildlife behaviour over that period.

Additionally, Potentia supports the CanREA's request to extend the deadline for comments to allow more time for meaningful data gathering and analysis regarding appropriate cut in speeds and impacts to generation. Further, we strongly recommend that the MECP provide further opportunities for one-on-one consultations with the wind industry following the provincial election. Additionally, after these direct engagements, any specific draft regulatory language should be posted to the Environmental Registry of Ontario (ERO) for a second round of public review and comment to ensure a well-informed and balanced regulatory framework.

Conclusion

In alignment with our commitment to sustainable wind energy development, Potentia Renewables supports measures to protect endangered bat species while ensuring a balanced approach that upholds environmental stewardship, energy security, and economic viability. However, the proposed 7 m/s cut-in speed requirement and additional monitoring measures are excessive and risk undermining Ontario's clean energy supply. Potentia commends the province's efforts at expanding energy procurement and significant investments in clean power. Sustainable energy investments in wind generation are not only a powerful tool for economic growth but also bolsters energy security. Given the launch of major power procurements over the upcoming few years such as the Long-Term 2 procurement series by the IESO, Potentia advocates that proposed regulations do not deter participation from power developers. We urge the Ministry to carefully consider the recommendations made by industry when updating the regulation to ensure a more competitive and dynamic renewable power market in Ontario, benefitting consumers, stakeholders and the public interest at-large

We appreciate your consideration of our comments and welcome the opportunity to discuss these issues further.

Sincerely,



Jennifer Tuck
Vice President, Government Affairs and Communications

