Capstone Infrastructure Corporation - Compass Energy Consulting

Public Community Meeting for Walker BESS 4 – Meeting Minutes

November 10, 2022 / 6:00 PM-8:00 PM / Microsoft Teams Virtual Webinar

PRESENTERS

Rishabh Mundhra, James Marzotto, Jonathan Cheszes, Lauren McLeod, Elijah Garrett

ATTENDEES

Michelle Moxley-Peltier, Sue Williams, Gary Kriza, Kevin Mills, Stephanie Kriza, Tarriq Purivatra, Richard Kriza

AGENDA

- About Us
- Battery Energy Storage 101
- Why Windsor?
- Walker BESS 4 Project and Scale Site Map
- Community and Indigenous Engagement Plan
- Questions and Comments

The Public Community Meeting provided attendees with an introduction to the Project and our Companies in the first forty-five (45) minutes, and an opportunity to ask questions and provide feedback on the proposed project for the next forty-five (45) minutes. The presenting team was available for another thirty (30) minutes afterwards to address any open questions and feedback.

Presentation:

Welcome (Slides 1-4) - Rishabh Mundhra

Compass welcomes everyone to the public engagement meeting for the Walker BESS 4 Project. Rishabh introduces the team and highlights that this meeting will be a series of public meetings and that timelines are subject to change depending on IESO Timelines. After reviewing the format of the meeting, Rishabh briefly reviews the agenda and purpose of the meeting.

Introductions (Slides 5-6) – Rishabh Mundhra

Rishabh introduces Capstone Infrastructure Corporation, highlights their portfolio of projects, and provides their website details for more information. Compass Energy Consulting is then introduced including its affiliate, Wahgoshig Solar FIT5 LP, a partnership with the Wahgoshig First Nation. It is acknowledged that both Capstone Infrastructure and Wahgoshig Solar FIT5 LP have been approved as a qualified applicate for long-term procurement.

Ontario's Power Needs (Slide 7) - Rishabh Mundhra

Rishabh discusses the *growth forecast of Ontario's energy demand and* the Independent *Electricity System Operator's (IESO)* procurement plan to add 4,000 megawatts of new capacity through their Expedited Long-Term 1 (E-LT1) and Long-Term 1 Procurements. The reasons for increasing provincial energy demand is discussed. This included growth in the residential and commercial sectors, the effects of electrification of transportation, the recent growth of the agriculture sector and the retirement of key generation plants.

What is Battery Energy Storage (Slides 8-9) - Rishabh Mundhra

Rishabh provides an overview of battery energy storage systems (BESS). The essential component that forms these energy storage systems will be lithium-ion battery cells, similar to what is found in an average Smartphone or Laptop. The batteries provide support to the grid by charging during low demand hours and discharging during high demand periods, alleviating grid congestion, improving the stability and quality of grid power, and reducing the price burden on consumers in the long run. BESS projects have been procured by the IESO since 2014.

It was mentioned that the BESS Project will range from 1-5 acres and will be housed in multiple 40ft containers, well equipped with standalone HVAC (to ensure optimal operating conditions for the battery cells) be certified to several internationally accredited safety standards. The projects will be fully fenced, remotely monitored 24/7 and have scheduled site visits to ensure adequate maintenance across the life of the system.

Why Windsor? (Slides 10-12) – James Marzotto

James discusses how the IESO highlighted specific regions in the province that would benefit from additional supply capacity. The Windsor-Essex region was identified with specific

transmission lines and stations that were preferred for new development. James then discussed the scaled project site map, zoning, and specifics for the project location, including its proximity to a preferred station and the options for interconnection. It was identified that the project is *undergoing a deliverability test as a part of the IESO's procurement and would finalize its* connection configuration after considering the output of the test process.

Benefits of Walker BESS 4 (Slides 13-14) - Rishabh Mundhra

Rishabh discusses the local benefits of the BESS project. This includes grid stability & flexibility, employment opportunities, financial benefits, industrial growth, diversification, electrical grid support, intelligence, and resilience. Additionally, the project will support the C*ity of Windsor's* Environmental Master Plan and other climate change policies, aiding further integration of renewable energy into the grid.

Regulatory Compliance (Slide 15) - Rishabh Mundhra

Rishabh informed the audience that the team is engaging the relevant authorities having jurisdiction (AHJs) for the project. This included the City of Windsor, the Ministry of Environment & Conservation, the applicable utility companies, the Ministry of Energy, the IESO, and the Electrical Safety Authority (ESA).

Development Timeline (Slide 16) - Rishabh Mundhra

Rishabh mentioned that conventional battery projects take between 3-5 years from development to commercial operation. The Walker BESS 4 is expected to come online around 2025/2026. Rishabh then walks through the development process timeline and identifies the current status of the project, highlighting that annual newsletters will be published to provide status updates on the project. It is mentioned that the project is expected to be decommissioned in 2047.

Community and Indigenous Engagement Plan (Slide 17) - Rishabh Mundhra

Rishabh introduces the Community and Indigenous Engagement Plan developed by Compass and Capstone, which can be found on the project website www.walkerenergystorage4.com. The Plan outlines *Capstone and Compass'* public engagement philosophy and provides details on the companies and the project, as well as the future plan for public engagement. Rishabh then reviewed the available public engagement tools for the community members. It was emphasized that all updates and future notices would be made available on the project website. Rishabh invited the attendees to provide any feedback they may have through the project email: info@walkerenergystorage4.com

Closing remarks - (Slide 18) - Rishabh Mundhra

Rishabh thanked the audience, invited them to provide any feedback they have, provided contact information, then opened the floor up for any questions.

Question and Answer session:

Stephanie asked how long does the project take to set up?

> The presenting team informed the audience that this scale of BESS projects generally takes between 6 to 12 months from the start of construction till commissioning.

Sue asked if there was any noise generated from the project?

> The presenting team informed the audience that as a part of the Environmental Assessment permitting process, a Noise Impact Assessment for the Project will be conducted. *As a part of this report, the ambient noise survey will identify the 'noise envelop' for the Project location based on zoning, proximity to highways and other* factors that may affect sound levels in the area. Once a survey is conducted, any *potential risks of the BESS exceeding the 'noise budget' and* violating any provincial norms would be mitigated based on suggested noise mitigation efforts that may be required to successfully secure an environmental permit.

Sue asked if there are any fire or safety concerns that are being mitigated?

> The presenting team informed the audience that the BESS enclosures will have built in fire suppression system (FSS) solutions. The FSS system is composed of smoke detectors, gas detectors and aerosols, whose main function is to prevent fire spread in time when any open flame signal or gas signal appears in the battery system and sent out fire signal to EMS system. BESS will be certified to UL9540 and UL9540A standards to prevent fire spread and suppression at the cell and the BESS system level. The management of any risks will start at the cell level, with selection of battery chemistry, and compliance with local authorities having jurisdiction (AHJs) and global certifications. Finally, Compass mentioned that they have engaged the local Fire department for a screening of our site and to provide additional training to equip firefighters with knowledge of the BESS fire protection standards.

Stephanie asked if the project would impact the house insurance of surrounding properties?

> The presenting team assured the audience that relevant authorities would be consulted, and the project would provide for a safe setback distance so that insurance of surrounding properties is not impacted negatively.

Stephanie asked if there are any EMFs produced?

> The presenting team asked to take this question back as they did not have adequate information on hand about electromagnetic fields (EMF). Subsequently, the presenters provided the concerned audience member with the following response through email:

*"*Electric fields are produced whenever a conductor such as a power line is connected to a source of electrical voltage. Magnetic fields are produced whenever an electrical current flows in a conductor. An example of this is the plugging of a lamp into a wall outlet in a home. When the lamp is plugged in, a voltage is induced in the cord to the lamp that causes an electric field to be created around the cord. In this example, if the lamp is turned on allowing electricity to flow to the lamp, a magnetic field is created around the lamp cord in addition to the electric field.

For the BESS system, the magnetic field will vary with the amount of power being charged or discharged, and the time of the day when the charging and discharging would occur. However, the strength of both electric and magnetic fields will decrease rapidly with distance from the source - for each doubling of the distance from the EMF source, the EMF will drop by a factor of eight. Electric fields will also diminish from absorption by any vegetation (including low-growing vegetation) located in its path because the plants effectively ground the electric fields.

The preferred connection point for this project is at the north end of the property connecting into the Hydro One transmission line, in which case there will be a short distance from the BESS to the transmission line where the EMF would be created. More importantly, there are few to no buildings in the vicinity of the preferred connection line.

If deemed necessary by authorities having jurisdiction, measurements of magnetic fields could be made before construction of the Project and after the Project begins operating *to assess whether EMF from the Project's electrical infrastructure would extend into the* neighbouring area.*"*

Sue asked about employees attending to the site on a regular basis?

The presenting team informed the audience that construction of the Project would happen in phases, and be carried out by small teams of 5-10 attending to site work in a ordered manner to avoid any traffic management issues at the site. The phases would generally focus on the civil works, mechanical installation, electrical connection, landscaping. It was highlighted that after construction and commissioning of the project, there would be minimal employee traffic to the site as the BESS will be remotely monitored and scheduled site visits would happen quarterly to ensure stable operations and effective preventive maintenance.

Rick asked where do you intend to enter the two pieces of property?

The presenting team informed the audience about the presence of a 20-feet access road on the east end of the property which would be used to access the Project site.

Some questions were asked about the specific lease agreements.

The team asked that all specific questions about a lease be taken up with development staff offline.

Sue asked how many containers per acre? And do they typically grow in size?

The presenting team informed the audience that the number of containers would be dictated by the final technology selection for the Project. It was estimated that the average 40ft container would be capable of supplying 1MW of capacity and 4 MWh of energy.

Sue asked how much land do you have for this project?

The presenting team informed the audience that currently the project has 1 acre of the site secured, and an additional 4 acres in the adjacent parcel to the east was being considered. This additional land was expected to be secured shortly after the conclusion of the public meeting.

Gary asked if this was the first such project for Essex County? And what would be the closest project owned by Companies?

The presenting team informed the audience about the locations and technologies of *Capstone's and Compass'* existing projects in Ontario.

Sue asked if you have any projects close that we could speak to, to get some general information from someone who has already worked with you.

The presenting team highlighted some projects from their portfolios and mentioned that the team would be happy to connect the audience member with other land partners in Ontario to provide references for existing projects.

Sue asked How many companies are providing similar projects?

The presenting team informed the audience that there was a Qualification process for the IESO Procurements and Wahgoshig and Capstone had qualified as one of 55 entities that were recognized by the IESO to develop such projects in Ontario.