



**Growth Standing Committee Meeting
Additional Information**

**Tuesday, October 28, 2025, 4:30 p.m.
S.H. Blake Memorial Auditorium**

Pages

6. Reports of Administration

**6.2 Request for Municipal Support Resolution – 579 Maureen Street
(Versorium Energy Ltd.)**

***6.2.1 Request for Municipal Support Resolution – 579 Maureen
Street (Versorium Energy Ltd.) - Report 317-2025 -
Deputations**

2 - 9

Written deputation received from Emily Hunter, Environmental
Defence Canada on October 21, 2025, for information.

Correspondence received from Kiera Essex on October 23,
2025 requesting to appear before Standing Committee.

6.3 Call for Proposals Update

***6.3.1 Call for Proposals Update**

Confidential Memorandum from Mariah Maunula, Property
Agent, dated October 28, 2025 relative to Call for Proposals
Update for the Growth Standing Committee Meeting, for
information only to be held on Tuesday, October 28, 2025.
(Distributed to Members of Council, City Manager, City
Solicitor and City Treasurer only)

Hello,

Please note the following response to Speak to City Council has been submitted at Thursday October 23rd 2025 6:47 PM with reference number 2025-10-23-031.

- **What would you like to speak to Council about:**
Proposed Natural Gas Plant
- **Is this an item scheduled on a current agenda?:**
Yes
- **If yes, please provide report title or number.**
6.2. Request for Municipal Support Resolution – 579 Maureen Street (Versorium Energy Ltd.)
- **Provide as much information as you can about the matter you would like to speak to:**
Versorium Energy Ltd. is seeking a Municipal Support Resolution for a proposed natural gas plant in Thunder Bay. As a climate and clean energy educator, as a former member of the EarthCare Advisory Committee, and as a youth climate activist, I would like to speak to the negative impacts that the proposed facility will have on the City's Net Zero Strategy and climate goals, discuss the financial implications of the proposed facility, and provide a scientific background on energy systems and potential energy opportunities in our region.
- **Provide specific actions you would like Council to take:**
Deny the request for a Municipal Support Resolution or defer the matter so that broader public consultation and consideration from Council may occur.
- **Have you already been in contact with City staff in regards to the subject matter of your deputation request?**
Yes
- **Who did you speak to in City Administration? What was the outcome?**
Contacted Climate Action Specialist to express concern of the proposed facility's impact on the Net Zero Strategy.
- **Please select the date of the meeting:**
Standing Committee - Tuesday, October 28 2025
- **Please choose**
Deputant
- **First name:**
Keira

- **Last name:**
Essex
- **Email:**
keira@tbaytel.net
- **Phone:**
(807) 631-5473
- **Please note the names of the presenters that will be attending with you:**
N/A
- **Please indicate how you intend to participate in the meeting.**
In Person

Written Deputation to the Growth Standing Committee, City of Thunder Bay

Items 6.2 - Municipal Support Resolution

October 23, 2025



environmental
defence

Re: Item 6.2 – Report 317-2025: Request for Municipal Support Resolution – 579 Maureen Street (Versorium Energy Ltd.)

Submitted by: Emily Hunter, Senior Program Manager, Ontario Climate Campaign, Environmental Defence Canada

Date: October 23, 2025

Introduction

Thank you, Chair and members of the Growth Standing Committee, for the opportunity to comment on **Report 317-2025** and the associated **Municipal Support Resolution (MSR)** for Versorium Energy Ltd.'s proposed 31 MW gas-fired *Central Avenue Generating Facility* at 579 Maureen Street.

I am submitting this written deputation on behalf of **Environmental Defence Canada**, a national environmental advocacy organization that has worked for over 40 years to promote clean water, a safe climate, and healthy communities. We strongly urge Thunder Bay Council to **vote against a Municipal Support Resolution** for this proposed gas project and instead signal support for clean, renewable, and affordable energy alternatives.

Summary

This deputation urges the Committee to **reject Report 317-2025 and its recommendation to approve the MSR for the proposed gas plant.**

The project would lock Thunder Bay into decades of fossil-fuel dependence, increase air-pollution and health risks, and undermine the City's climate goals. Ontario's own data show that **wind, solar, and battery storage** are cleaner, cheaper, and more reliable alternatives that can meet local energy needs while creating jobs and revenue.

1 Reliability and Demand

The staff report claims the project will help meet Ontario's growing electricity needs. Yet the IESO's *Resource Costs and Trends Report (2024)* confirms **renewables + storage** are now the lowest-cost and fastest-to-build reliability tools (see the Appendix). Gas peakers already run less than 10 % of the year. Local storage, efficiency and demand-response programs can meet Thunder Bay's needs at lower cost and zero emissions.

2 Claimed GHG Reductions

Versorium projects roughly **30 000 tonnes CO₂e per year** at 25 % operation, claiming "net reductions" by selling waste heat to Canada Malting Co. Ltd. and by "displacing other gas generation" elsewhere on the grid.

However, these assertions are **methodologically weak and misleading**:

- **Waste-heat offsets are marginal.** The company's own data show that only about 15–20 % of the plant's emissions would be offset by heat recovery. For every tonne of emissions saved, four or five more would still be released into Thunder Bay's air shed.
- **Offsets are temporary.** Once Canada Malting modernizes or electrifies its process heat to meet federal net-zero targets, this "benefit" will vanish—leaving Thunder Bay with the full carbon load but no efficiency gain.
- **Displacement assumptions are flawed.** The modeling assumes the plant will push other fossil generators offline. In reality, the IESO's Long-Term 2 (LT2) procurement is already designed for **solar-plus-battery and demand-response bids** that could provide the same reliability function without emissions. The gas facility would not replace other gas—it would **crowd out renewables**.
- **System-wide emissions will rise.** The IESO forecasts increasing reliance on gas peakers for the next 25 years; adding another 31 MW of capacity expands that fossil footprint rather than shrinking it.
- **Local climate accountability.** Even if "net provincial savings" could be argued on paper, Thunder Bay would still host and breathe those emissions, bearing the public-health and reputational costs while other jurisdictions claim the credits.

In short, the proposed plant cannot credibly be called a GHG-reduction project. It would **increase local and provincial emissions** at the very moment Ontario and Thunder Bay must accelerate toward a clean-electricity future.

3 Transmission-Loss Argument

Transmission losses in Northwestern Ontario are **marginal (< 2 % of grid emissions)**. Clean local projects—such as rooftop solar + battery storage—could achieve equal or greater savings without new fossil infrastructure or Enbridge gas tie-ins.

4 Planning and Policy Alignment

Although the site is zoned Heavy Industrial, zoning compatibility is **not policy alignment**. Thunder Bay's **Net-Zero Strategy** commits to eliminating fossil-fuel use. The report itself concedes that gas "is not aligned with the City's long-term decarbonization goals." Council is under no obligation to endorse a project that contradicts its climate mandate and federal Clean Electricity Regulations.

5 Economic and Community Impacts

Property-tax gains will be minimal compared with the **long-term liability** of stranded assets once carbon costs rise. The project provides few permanent jobs, while renewable and storage investments create several times more local employment and economic benefit. Clean-energy development also positions Thunder Bay to access **federal and provincial funding**, unlike new gas projects that may be excluded.

6 Consultation and Community Feedback

Versorium's consultation radius (300 m) and single open house are insufficient for a project with region-wide climate and health impacts. Broader community and Indigenous engagement has been limited, and claims of "generally positive" feedback are not representative.

7 Smart Growth Action Plan

The City's draft *Smart Growth Action Plan* seeks to enhance local resilience through clean innovation—not expand fossil dependence. Approving this MSR would contradict that vision and weaken Thunder Bay's leadership on sustainable growth.

8 The City's Role Is Not Symbolic — It Is Decisive

Under the Independent Electricity System Operator's (IESO) **Long-Term 2 (LT2) procurement process**, proponents like Versorium **cannot even submit a bid** unless the local municipal council passes a **Municipal Support Resolution (MSR)**. This requirement is explicitly stated in the IESO's Request for Proposals.

In other words, **the IESO does not grant final approval without local consent**. If Thunder Bay Council declines the MSR, this project cannot proceed to contract award — full stop. The MSR is not a procedural formality; it is the community's veto power.

By contrast, if Council endorses the MSR, it is effectively providing political and moral approval for a 20-year fossil gas project in our community. That is why this moment represents a genuine local decision — not simply a planning review.

Conclusion

While presented as an industrial efficiency project, the proposed gas plant would increase Thunder Bay's emissions, health risks and long-term costs. The claimed benefits are overstated, and **genuine clean alternatives** exist today.

Council should reject Report 317-2025 and the associated Municipal Support Resolution and instead declare Thunder Bay a willing host for **renewable and storage projects** that deliver reliable, affordable, and climate-safe power for our community.

Emily Hunter

Senior Program Manager, Ontario Climate Campaign
Environmental Defence Canada

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 [environmentaldefence.ca](https://www.environmentaldefence.ca)

Appendix: The Affordability Fact Check, IESO Resource Costs (March 2024)

Resource	Levelized Cost (\$/MWh)	With Federal ITC (\$/MWh)
Wind	48	≈ 30
Solar (PV utility-scale)	69	≈ 53
Nuclear	140	126
Small Modular Reactor	155	119
Natural Gas – CCGT	185	185
Natural Gas – SCGT	262	262

Key take-aways (IESO 2024):

- **Wind and solar** are the lowest-cost options (\$48–69/MWh).
- **Gas** is the most expensive (\$185–262/MWh).
- Even with tax credits, **nuclear and gas remain costlier** than renewables.

References

1. City of Thunder Bay (2025). *Report 317-2025 – Growth – Development Services – Planning Services: Request for Municipal Support Resolution – 579 Maureen Street (Versorium Energy Ltd.)*. Growth Standing Committee Agenda, Oct 28 2025
2. Independent Electricity System Operator (IESO) (2024). *Resource Costs and Trends Report*. <https://www.ieso.ca/en/Sector-Participants/IESO-News/2024/03/IESO-Releases-2024-Resource-Costs-and-Trends-Report>
3. Government of Canada – Environment and Climate Change Canada (2023). *Proposed Clean Electricity Regulations (Gazette I)*. <https://www.canada.ca/en/environment-climate-change/services/canadian-environmental-protection-act-registry/proposed-regulations/clean-electricity.html>
4. Toronto Atmospheric Fund (2022). *Scenarios for a Net-Zero Electricity System in Ontario*. <https://taf.ca/publications/scenarios-for-a-net-zero-electricity-system-in-ontario/>
5. David Suzuki Foundation (2022). *Shifting Power: Zero Emissions Electricity Across Canada by 2035*. <https://davidsuzuki.org/science-learning-centre-article/shifting-power-zero-emissions-electricity-across-canada-by-2035/>
6. International Renewable Energy Agency (IRENA) (2021). *Majority of New Renewables Undercut Cheapest Fossil Fuel on Cost*. <https://www.irena.org/newsroom/pressreleases/2021/Jun/Majority-of-New-Renewables-Undercut-Cheapest-Fossil-Fuel-on-Cost>
7. CBC News (2023). *Ontario Climate Change Impact Assessment Reveals Increasing Risk of Extreme Heat and Flooding*. <https://www.cbc.ca/news/canada/toronto/ontario-climate-change-impact-assessment-1.6964662>
8. City of Thunder Bay (2023). *Net Zero Strategy and Climate Adaptation Plan*. <https://www.thunderbay.ca/en/city-hall/net-zero-strategy.aspx>
9. Canary Media (2024). *Natural Gas Is the Pillar of the U.S. Electric Grid — It's Also Unreliable*. <https://www.canarymedia.com/articles/fossil-fuels/natural-gas-is-the-pillar-of-the-us-electric-grid-its-also-unreliable>