



## Memorandum

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**TO:** Krista Power, Director – Legislative Services & City Clerk **FILE:** PROJ-03-2025

**FROM:** Devon McCloskey, Planning Services - Manager  
Growth – Development

**DATE:** 09/08/2025 (mm/dd/yyyy)

**SUBJECT:** **For Information Only** - Versorium's Power Generation Facility  
Request for Municipal Support

**MEETING & DATE:** Growth Standing Committee - 09/23/2025 (mm/dd/yyyy)

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Versorium Energy Ltd. ("Versorium") is proposing to develop, construct, own and operate the "Central Ave. Generating Facility" (the Project). The Project is located on private land currently owned by Canada Malting Co. Ltd.

The Project is proposed in response to the Independent Electricity System Operator's (IESO) Long-Term Procurement (LT2) process to support Ontario's growing electricity needs. The facility would be capable of generating up to 31 MW of electricity while also supplying thermal energy to Canada Malting Co. Ltd.

To make the application for the project to the IESO, Versorium must receive a municipal resolution supporting the Project from City Council.

The lands are located at the intersection of Central Ave. and Maureen St. No applications under the *Planning Act* are required, since the land is designated Heavy Industrial and zoned Heavy Industrial (HI).

The Project is designed to use up to eight Jenbacher natural gas-fired engines (generators), which will include four J620 model engines with a nominal capacity of 3.3 MW each, and four J624 model engines with a nominal capacity of 4.5 MW each, two electrical switchgear buildings and two step-up transformers.

In addition, the Project will include two overhead distribution lines connecting to the existing Synergy North distribution system, a tie-in to the existing Enbridge natural gas system, a thermal hot water storage tank and pipeline to deliver thermal energy to

Canada Malting Co. Ltd, and finally an access and approach to accommodate facility access. The Project's engines and electrical switchgear will be housed in sound attenuated modules to ensure compliance with provincial noise guidelines at nearby receptors.

Versorium is developing the Project to compete in the Independent Electricity System Operator's (IESO) Long-Term Procurement process, known as LT2. This procurement, issued under the direction of the Minister of Energy and Electrification, is designed to secure new energy and capacity resources to meet future system needs.

The LT2 procurement consists of two streams: Energy and Capacity, with each serving distinct purposes. The Energy Stream is focused on procuring primarily intermittent, non-emitting resources such as wind and solar. The Capacity Stream, by contrast, is intended to secure battery storage and natural gas resources that are available as needed to ensure a reliable electricity grid.

With electricity demand in Ontario projected to increase by 75% by 2050, the IESO plans to award contracts under both streams of LT2 through four separate procurement windows between 2025 and 2028. Versorium intends to participate in the Capacity Stream's first window, with a bid submission due in December 2025.

Versorium is working with Enerflex Ltd. to engage with Indigenous communities, the public, and key stakeholders including the City. Enerflex will continue coordinate the Project's engineering, procurement, and construction.

Versorium will appear before the Growth Standing Committee on September 23<sup>rd</sup> as a deputant to present the proposal and receive questions. Subsequently, they will be hosting a public open house on September 24<sup>th</sup> at the Slovak Legion with the support of Enerflex, and will share their results with Planning Services. Administration will report back to the Growth Standing Committee on October 28<sup>th</sup> with information regarding the engagement results, the GHG emissions figures provided, and Planning framework information with a recommendation on whether Council should pass a resolution in support of the Project.

If the Project is successful and the IESO awards Versorium a contract, the Project will advance through the required municipal, provincial, and federal regulatory processes, with operations targeted to begin by 2030.