AGENDA
Council Meeting
4:30 PM - Thursday, May 29, 2025
Municipal Office

Page

1. CALL TO ORDER

2. DISCLOSURE OF PECUNIARY INTEREST

3. MINUTES

4. DELEGATIONS & TIMED EVENTS

4.1. Venfor Strathroy Corp (Peter Budd & Stephen Sangiuliano) 2 - 16

VENFOR Inc Municipal Project Briefings - PUBLIC

5. CLOSED SESSION

5.1. Section 239(2): personal matters about an identifiable individual(s).

6. ADJOURNMENT

VENFOR INC. Project Briefing

June 2, 2025

The Municipality of Brooke-Alvinston

Mayor David Ferguson & Council
3236 River Street
Alvinston, Ontario
N0N 1A0

Project Briefing Index

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2. Map of Project Site Area
3. Map of Proposed Connection to Hydro One Networks
4. Landowner Consent and Cooperation
5. Option and Lease Agreements, Siting and Roadways
6. Power Line Routing Study
7. Agricultural Impact Assessment Study
8. Community Benefits Agreement (“CBA”)
9. Community Impacts and Mitigation Commitments
10. Road User Agreement (“RUA”)
11. First Nation Participation
12. Project Roll-out, Timing

1. Project Description and Overview

1.1. Venfor Inc.

Venfor was conceived as an early-stage wind energy development company by a group of experienced renewable energy executives, familiar with and in response to the provincial need for anticipated power procurements. Five shareholders, (one) living locally (Napier) comprise the team pursuing these early-stage wind project opportunities.

The words 'Ven' and 'for' derive from the French roots of the words *vent* (wind) and *fort* (strong), to embody the reality of the reliably strong winds at higher levels that grace this farming area south from Lake Erie and north from Lake Huron, where wind resources perform best inland arising from conventions near those Great Lakes shorelines. We are looking at an improved capacity factor of ~50% over previously installed wind operations.

1.2. Ontario's Inevitable Electricity System Expansion

It is no secret that Ontario is facing a significant electricity shortfall in the coming years. This is caused by the inevitable transition from powering homes, institutions, businesses and the transportation sector from largely fossil fuels sources, now moving to increased renewable energy dependencies. Heat pumps and EVs are among the largest forces.

Some experts, including the Independent Electricity System Operator ("IESO"), have estimated that Ontario's bulk power system will grow by a factor of 1- 4 X in the next 25 years. This means that the estimates of growth from our current summer peak of ~25,000 MW could increase to upwards of 80,000+ MW, which would be unprecedented. Today, the forecast for 2050 is a 75% growth, but nobody knows for sure. Regardless of which growth model is forecast, with the retirement of fossil generation and older fleets being replaced and upgraded, there is a clear and immediate need to get started with building new, more efficient power generation facilities using new and advanced technologies. Last summer, Ontario was importing 2,000+ MW from the USA at peak conditions, so that is the evidence that Ontario is importing when we are power-short. This summer, it is anticipated that Ontario will have zero reserve margin for several weeks, a condition that may well continue into summer 2026 until more utility-scale batteries are built and on-line. The North American Reliability Corporation ("NERC") just forecast that for the summer of 2025, Ontario is short on power by ~3,000 MW in stress (hot, humid) weather events. Readers may wish to peruse the NERC Website to appreciate the serious shortages in Ontario, Quebec and Nova Scotia.

For more direct information on Ontario's power forecasting and supply needs, including the Long-Term 2 ("LT2") IESO power procurement to be registered in August 2025 and set for filing on October 16th, 2025, please visit the IESO's Website for LT2.

1.3. Venfor's Shareholder Motivations & Contributions

While private commerce usually drives many business decisions, the purposeful choice of the Municipality of Brooke Alvinston("Municipality") location was in part a specifically selected motivating factor. This potential project area has wind machines sited close to its boundaries, but not within its boundaries. We are seaking to place wind machines within the boundaries for two main reasons: i) the known viability for wind producing areas combine with local experience,

and ii) to place the wind machines within the boundaries in order for the Municipality to receive direct community benefits in the form of cash contributions,

Also, the Venfor team is highly aware of the importance of energy; the Enbridge Dawn-Trafalgar natural gas transmission network corridor passes cross-country through considerable Municipality lands and makes its tax and periodic other philanthropic contributions to the neighborhood, in addition to employment benefits. Venfor's wind project will also be contributing cash annually to the community based on the number of megawatts the project produces each year (20 – 30 years based on the offered Provincial power contract term). This contribution amount will be indexed to Consumer Price Index ("CPI") (~2%), plus making the Municipal Property Assessment Corporation ("MPAC") tax payments to the benefit of the province and local residents. It is likely that this wind project will become a permanent part of the Municipality's revenue sources indefinitely as these types of facilities are routinely refurbished and recontracted as the province and its residents become and remain dependent in part on this local power source.

1.4. IESO Bid Submission for a Good Location

Venfor's plan, as executed to date, is to advance this project, spanning across parts of the Municipality (and the Municipality of Brooke Alvinston) into the IESO's "LT2" procurement, set for bid submission on October 16th, 2025. For such a project to make sense, it has to be able to deliver its generated power to a local grid connection, which this project has confirmed is available with Hydro One Network's Inc. ("HONI") grid capacity on the local nearby 230 kilovolt ("kV") circuit corridor from Lambton Transmission Station ("TS") to Longwoods TS. The IESO and HONI frequently issue forecasts of provincial and local power needs, and which circuit and TS capacity is available, so Venfor knows where it can reasonably propose a project that stands a viable chance of being selected and connected. This municipality is a good place to connect, and therefore submit a project bid in Q3 2025.

1.5. Bid Selection to Build Process, Operations

Once Venfor's bid submission is filed, it is estimated that the IESO will take up to six months to select the winners, province-wide in locations where the proposed project makes sense to add generation capacity. This isn't just a lottery or only a competition based on the bid price; the IESO's decision considers myriad relevant factors before making its decision. In Q2 2026, it is expected that the IESO's selection decision will be made, and winners will be announced. If this project wins, detailed project design will proceed, micro-site selection and evaluation will be finalized with individual geotechnical examinations and financing will be completed in time for a contractor to be selected and mobilized. What is known as the project's Commercial Operating Date ("COD") is anticipated for 2029, when the project power sales will begin and revenues to the Municipality and landowners are forecast to flow that year.

3. Map of Proposed Connection to Hydro One Networks Circuit

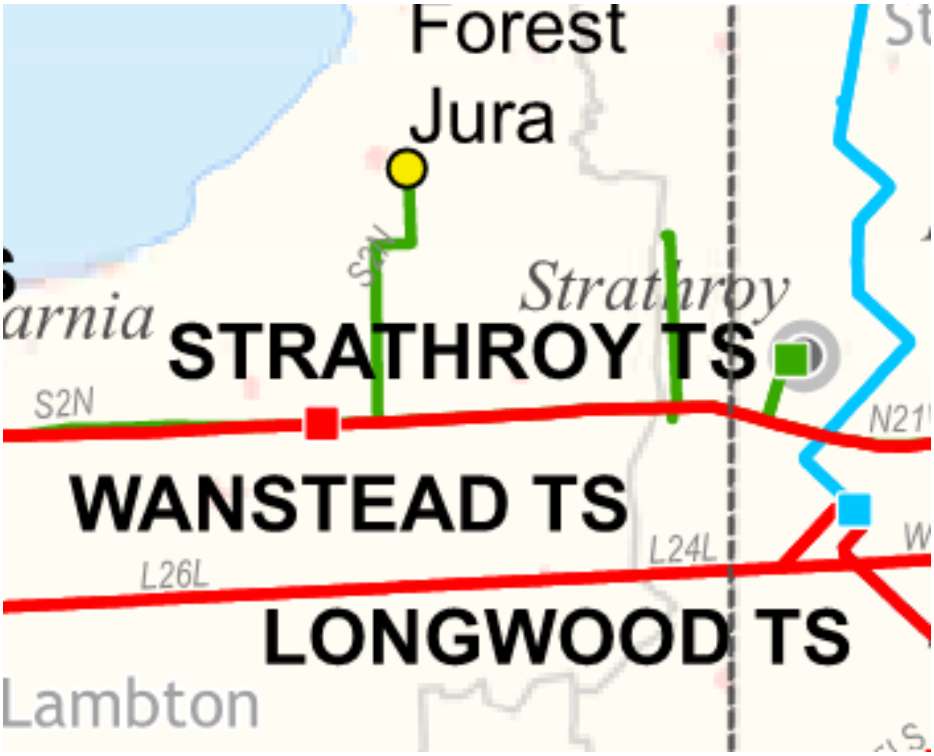

Figure 2 – Source – Transmission System IESO 20250201

Note – Figure 2 indicates the connection system for the project area as detailed by Hydro One Networks Inc. Final connection design is to be completed as project details progress.

4. Landowner Consent & Cooperation

Seventeen landowners in the Municipality have voluntarily executed the Option and Lease Agreement documents (“Agreements”) tendered by Venfor, which were presented in draft form to the Municipality, and are registered at the provincial Land Titles Office. This represents approximately 4,000 acres of initially optioned lands. Once the project bid is accepted, the broadly optioned areas will be reduced to the leasing of specific, surveyed laneways, buried cable passages and individual turbine sites (~1 acre each).

Landowners are sophisticated and know what they are signing up for. Every signatory has had the opportunity to conduct his or her own level of due diligence, including seeking independent legal advice. Some landowners are clear that they could benefit from the incremental annual income; some simply like supporting clean, carbon-free energy and doing their part. Others are keen to pass on their lands and compound the income to pay the capital gains taxes on succession. Regardless of their individual motivations for joining the project, Venfor appreciates their support for this energy development.

As has been noted occasionally when Venfor met with the landowners, wind projects are becoming ubiquitous. Landowner logic is often expressed as a sentiment that if we are to advance our energy needs, why not do it here and bring in revenue to our family and the municipality? All landowners have acknowledged that these projects are not novel or new; rather, they are known and inevitable in some locations. Whatever environmental or health concerns might have surfaced 20 years ago did not materialize. The equipment operates well, landowners agree, with minimal disturbance and risks are very low. Setback distances and minimal restrictions on future land use are acceptable and understood.

Venfor’s field experience directly, and indirectly through the Elexco Ltd. land agents it engaged, has been positive and constructive.

5. Option and Lease Agreements, Siting and Roadways

Each landowner was provided with an Agreement and accorded whatever amount of time was requested, with several meetings to review and discuss the information, compensation and implications. The Municipality has received a draft Agreement (attached) so it knows what the contractual relationships are between Venfor and the local landowners contractually offering their lands to host these installations.

Venfor has been especially clear on items where landowner input is important and even vital. Based on our energy project field development experience, the key areas which will require ongoing enhanced cooperation with landowners and due diligence on the part of the development contractor are:

- repairing all affected field tiling and associated drainage works,
- design and placement of the permanent maintenance access laneways,
- taxation increases due to the project and development

Tile Repairs

The Lessor farmer will make the decision, on a reasonable basis in a way that accords with the landowner's farming practices, as to its selection of a tile contractor to repair any and all affected tile damage to the landowner's satisfaction. All reasonable costs will be paid exclusively by the wind company.

Laneways

Respecting location of permanent laneways to access the sites for maintenance, the landowners will enjoy a firm power of decision, on a reasonable basis, as to where the permanent laneways will be installed. The cost of this will be exclusively to the account of the wind company.

Rezoning, Taxation

Regarding any rezoning and changed taxation on privately held lands, which have been surveyed for equipment and connection installations, all related costs incurred prior to, during and post-operations will be assumed and undertaken for payment by the wind company. In all cases, the landowner is held entirely whole and will not be responsible for any costs of the development from the project inception to its decommissioning in accordance with the provincial licence to operate it will be executing.

Naturally, the wind company will pay for any land and crop damages in accordance with the provisions of the Agreement.

6. Power Line Routing Study

Venfor and its IESO bidding Partner will be proposing a preliminary engineered Power Line Routing Study (“Study”) that will confirm the options it has examined and will make recommendations to the Municipality. This will be presented to the Municipality for its review, and discussions will ultimately lead to an agreed-upon route, which optimizes the use of preferred road allowances. This Study will consider several factors from the finally determined location of the wind machines and access roads to the preferences of the local residents expressed at the planned public meetings, to the ability of the project engineers to bury as many of the connecting lines as is physically, electrically, and economically possible, in accordance with all provincial codes and electrical standards.

The Project engineers will decide which and how many connection locations are preferred. Venfor is considering that no more than two connection locations will be necessary, so this will influence the power line routing to one or two locations.

7. Agricultural Impact Assessment

In accordance with recent provincial agricultural land policy as articulated by the government, there is a new requirement that each wind project shall be obligated to undertake an *Agricultural Impact Assessment*, which shall be completed prior to final Notice to Proceed ("NTP"), issued by the Province of Ontario.

Venfor and any party associated with this project will be fully expected to comply with all conditions emanating from any provincial agencies, including regulatory conditions and orders.

The IESO has provided preliminary guidance, through consultations with the Ontario Ministry of Agriculture, Food, & Agribusiness ("OMAFRA"), and have indicated the following as of April 23, 2025 (reference: https://www.ieso.ca/Sector-Participants/Engagement-Initiatives/Engagements/Long-Term-RFP):

- The pre-AIA Submission Filing Requirement in the RFP has been renamed the AIA component One Requirement. This requirement will be completed by the Proponent to the satisfaction of the Local Municipality, prior to Proposal submission, and evidenced via the Municipal Support Confirmation.
- Step two will be the requirement within the Contract. This has been named the AIA Component Two and Three Requirement. This requirement will be completed by the Proponent/Supplier to the satisfaction of the Local Municipality, within 18-months post contract award, and evidenced via The Form of AIA Confirmation.
- OMAFA is in the process of preparing to publish guidelines for the AIA Component One Requirement and for the AIA Component Two and Three Requirement.

8. Community Benefits Agreement

Since the inception of this Project, Venfor made a commitment that it would volunteer a reasonable tranche of Project revenues towards an annual payment, that the Project would guarantee to the Municipality. Venfor has tendered a draft Community Benefits Agreement ("CBA") to the Brooke Alvinston Council (see Appendix A, attached), which allows the Council full discretion as to how the CBA funds are to be deployed.

In deciding what level of payment could be made, Venfor had close regard to the discretionary revenues that could be directed from the Project without jeopardizing the financial security of the Project. It is critical to ensure that this Project will be able to confidently bid into the IESO LT2 process, successfully, without increasing the bid price to the point of a failed bid that was too ambitious.

As with the landowner Lease payments that are escalated at CPI, so will be the CBA payments to the Municipality to ensure the relevance of the Project throughout its economic life.

9. Community Impacts and Mitigation Commitments

In this Brief, Venfor has mentioned key items of concern in respect of landowners' interests. These included taxation, tiling repairs and access roads.

The Community will also bear certain impacts, which must be mitigated. These may include the installation of buried wires in municipal roadway allowances, disturbances to roads due to crossings, unusual and heavy use of municipal roadways during construction, etc. All of these important items will need to be negotiated and resolved prior to the commencement of construction.

A Road User Agreement ("RUA") will be tendered by Municipality staff, which will be responded to fully and appropriately by Venfor's team members in a timely manner throughout Project development and afterwards. Similar to the Venfor philosophy that the wind company will and should be responsible for all incremental activities and costs of the Project as they may affect landowners, so it is also the case that the wind company will remain responsible for any and all direct impacts on the Municipality and its Community residents. Roads will need to be upgraded and repairs made, including paving as and when necessary. This will all be pre-agreed to the extent conceivable, but provisions are present in the RUA that will continue during the operations of the Project, and during its decommissioning phase at the end of the Project life.

10. Road User Agreement

Please see the attached RUA tendered by the Municipality, the provisions of which are in negotiation between the Municipality and Venfor. This process will be completed and security posted in full prior to any physical work being undertaken on any municipal road allowance and public property.

11. First Nation Participation

Venfor is an advocate for inviting local First Nations into a suitable economic relationship in respect of its wind projects. This is a long-standing belief and commitment of the Venfor team, which will be undertaken prior to the bid submission on October 16th, 2025. Regardless of what the provincial regulatory expectations may be of clean energy developers, Venfor takes its duty to consult seriously and will be undertaking this commitment in a timely manner with affected First Nation rights holders.

12. Project Rollout, Timing

Well in advance of the October 2025 bid submission, Venfor has given considerable thought to how the Project Rollout and timing would be executed.

If the Project is awarded a contract in LT2 Window #1 in Q2 2026, the wind company shall complete any and all studies in line with the Renewable Energy Approval ("REA") process, which may take 12-18 months to complete by the close of 2027. Such studies shall include:

- Environmental Impact Study ("EIS") (including potential environmental impacts on flora, fauna (including amphibians, birds and bats), air and water quality)
- Noise assessment, modelling, and reporting
- Ongoing community engagement and outreach
- Ongoing Indigenous engagement
- Groundwater and stormwater impacts
- Land use planning, landscape architectural, and site plan approvals
- Natural and cultural heritage assessments
- Traffic and lightening impact studies
- Agricultural impact assessment study

Completion of the above studies should be sufficient to identify any Project risks and impacts, and determine mitigating solutions, processes, and protocols therefor, at which point, the wind company should be close to or have closed on financing sufficient to reach NtP and thus enter the Engineering, Procurement, and Construction ("EPC") phase of the Project. The EPC phase shall run from the end of 2027 to COD in 2029.

Deliverables	2025	2026	2027	2028	2029
IESO Bid Submission					
Contract Award					
REA					
NtP					
EPC					
COD					

Appendix A