

1. **Why did Ferma Energy pick this location?** Locations are selected based on multiple criteria. Ferma Energy begins by reviewing Electrical Transmission system ratings, constraints and other information provided by the IESO and Hydro One. Once a geographical area has been determined, we map out critical infrastructure and identify land parcels in proximity to power lines that can host large projects. We then filter these parcels based on the best available constraint information from topography, wetlands, flood plains, old forests, and site access among others. Preference is placed on non-prime farmland whenever possible. Once we have a list of parcels of land that seem to be feasible, Lease Agreements are then negotiated with willing landowners, and the development process begins. Land parcels are selected to meet the land classification requirements provided by the IESO, MOE and MECP.
2. **Who will be supplying the batteries and what will the Tier Quality be?** Battery selection will take place after the project has been awarded an IESO contract under the LT2-RFP. The batteries will be supplied by Tier 1 Manufacturers to ensure quality and warranty requirements for the safe operation of the BESS for its lifecycle. Common battery storage integrators include Tesla, Sungrow and Fluence.
3. **What are the fire risks and what are the mitigation measures?** Battery systems can pose fire risks from physical damage, defects, overcharging, etc. Most of these threats can lead to thermal runaway, where a cell overheats beyond a critical point, igniting and spreading. To mitigate these risks, today's battery systems are rigorously tested to UL 9540A standards and include integrated, real-time monitoring of temperature, cooling systems and cell level isolation measures. The cells and the complete containers are spaced/designed to stop the spread of a thermal event and the containers include fire suppression and containment strategies.
4. **Who will train the fire department? They will not know how to deal with a lithium-ion battery fire.** During the planning process, we would draft an emergency response plan working closely with the fire department/chief and industry experts. Once a plan is finalized, we can then have the industry experts provide a training so the plan is fully understood.
5. **Will this affect the water table?** The project will not affect the water table. The equipment will be laid on the ground, with no penetration of the soil surface except for some insulated electrical cables for the interconnection of the batteries, as well as helical screw-piles for the battery unit foundations. The batteries are housed in specialized units that are self-contained to offer ingress/egress protection.

6. **How will this affect property values?** There is no objective data showing a link between BESS facilities and a reduction in property values. A hedonic difference-in-difference (DID) model study completed in 2025 on the impact of utility-scale battery energy storage system projects on property values in California, Massachusetts and New York, has found that houses near operational BESS facilities do not experience significant price changes compared to houses farther from the same project.
7. **What noise and sound will the project emit when it is operating?** The battery units will emit a low level of sound due to the fans used in operation to maintain optimal temperatures. The sound is not constant, only when in use or during temperature control. During the development stage, the engineering team will place noise receptors at all the adjacent properties to ascertain the base-level of noise for the area. The system will then be designed to ensure that operation noise will be kept at or below the provincial sound level through the strategic placement of the batteries on the parcel, as well as acoustic barriers and the natural undulation of the land.
8. **Will there be lots of traffic on and off the property during operation?** Traffic on and off the property will be minimal once the BESS project is operational. There will be times of the year when crews go out to site to complete preventative and corrective maintenance, as well as seasonal landscaping and snow removal. However, the site will not have daily traffic, and it will be monitored and operated 24/7 from an off-site location.
9. **What are the benefits to the community?** The community will see both short-term and long-term economic benefits. The project will pay an increase in property taxes above the current farming taxes paid on the land. The local business will see increased patronage through consumables and rentals, and the project will enter into a Host Benefit Agreement with the community to offer additional budgetary stimulus that can be used towards special projects the community deems necessary.
10. **Will there be lighting and security?** There will be sensor lighting and security monitoring installed for the safe operation of the project site. The site will be fully fenced by 6' chain link fence with barbed wire, and cameras with lighting will be interspersed to help maintain facility integrity during its operation.

- 11. What will it look like?** The Battery containers will be less than 10 feet high. The entirety of the site will be fenced and a visual landscaping buffer will be created where it does not already exist, to act as a visual barrier.
- 12. How does it work?** Ontario has been growing and our power demand peaks in the late afternoon. During the night we have an access of Nuclear and Wind energy that can be stored until needed. The batteries will be charged during the evening hours when power is abundant, and they will be discharged during the day to smooth out the demand peaks.
- 13. Isn't this prime agricultural land?** The site that has been selected for the Sandhill BESS is currently zoned as agricultural land, as are other surrounding parcels. The project will only utilize a portion of the parcel, with the rest remaining available for farming activities. Ferma Energy will work with the Municipality to ensure that the project abides by all zoning requirements.
- 14. How long will the project last? What happens after that?** The capacity contract provided by the IESO are 20 years in duration. The typical life of these systems is between 20 and 30 years, potentially longer with modifications and upgrades. At the contract expiration, there could be negotiations with the IESO, Municipality and landowner to keep the facility running. Ultimately, when the project is no longer needed or capable of operating, decommissioning will take place in which the facility will be removed, most parts will be processed and recycled and the land will be restored to its existing conditions. Typically, our lenders require a bond to ensure the cash is there for this at the conclusion of the project. Sometimes, the municipality or other authorities will want to be named beneficiaries of the bond.
- 15. Are you Canadian?** 2578818 Alberta ULC is an affiliate of Ferma Energy Inc. which is a Canadian Corporation based in Ontario.