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Yukon Energy selects SunGrid Solutions to build Yukon's grid-scale battery

Yukon Energy has selected SunGrid Solutions to build its grid-scale energy storage project in Whitehorse. The decision follows a year-long competitive procurement process that included a unique two-staged approach that first pre-qualified battery vendors and then rated vendor proposals.

SunGrid Solutions was selected as the winning bidder for its proven track record to deliver energy storage projects across North America. The Canadian company has recently deployed more than 500 megawatt hours of battery storage solutions across Canada and the United States.

SunGrid Solutions' proposal was also selected for the turnkey engineering, procurement and construction solution it provided for the project. SunGrid Solutions is teaming up with LG Energy Solution, a world-leading supplier of battery modules, and Valard Construction, a utility construction company with experience building electricity projects in the Yukon, to build the new battery energy storage system.

SunGrid's proposal was also the lowest cost option. Yukon Energy's final cost estimate for the battery project is \$35 million. Last year, the Corporation estimated the battery to cost \$31.7 million plus or minus 30 per cent.

With the additional time invested by Yukon Energy in the procurement process this past year, the battery is now expected to be operational in spring 2023. When complete, the battery project will replace the need for four rental diesel generators each winter.

In January 2022, Yukon Energy signed a lease agreement with Da Dan Developments, a subsidiary of Chu Níikwän Development Corporation, for a 25-year lease of the land needed for the battery. The 1.5 hectare battery site is located on Kwanlin Dün First Nation Settlement Land near Robert Service Way and the Alaska Highway, and on land identified by the First Nation for future development.



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Quotes:

“Yukon Energy is committed to helping Yukon government reduce carbon emissions in the territory and achieve the goals in Our Clean Future strategy. Building this grid-scale battery is a critical project in our 10-Year Renewable Electricity Plan and will help reduce our reliance on diesel generation, and provide us with another resource to meet growing demand for electricity with more sources of clean energy.”

Lesley Cabott, Chair, Yukon Energy Board of Directors

“We knew when we started this project that the most difficult and time-consuming part of it would be to source the right kind of battery and the right people to build it. Our battery serves a unique need on our isolated Yukon grid, and in a very challenging climate. SunGrid Solutions’ proven track record of building battery energy storage system across North America, along with LG Energy Solution’s decades of experience supplying batteries across the world, and our direct experience working with Valard on projects here in the Yukon, all bring me comfort knowing that we’re working with industry leaders in their field who are committed to building the best battery for the Yukon and Yukoners.”

Andrew Hall, President & CEO, Yukon Energy

“SunGrid is excited to be supporting Yukon Energy as the turnkey integration EPC. Yukon Energy is bringing Battery Energy Storage to the forefront of system reliability and cost effectiveness. Partnerships with Kwanlin Dün First Nation, Ta’an Kwäch’än Council, Valard, LG Energy Solution and Yukon Energy ensure that the project will be a first success with many more to come. Distribution and transmission grid systems are beginning to transition away from carbon producing generation towards clean and renewable generation where Battery Energy Storage will play a pivotal role. When Battery Energy Storage systems are owned by utilities like Yukon Energy they ensure reliability and efficiency are key considerations that must be delivered. SunGrid is excited to be supporting the increase in system reliability for Yukon Energy.”

Jeremy Goertz, Managing Partner, CEO, SunGrid Solutions

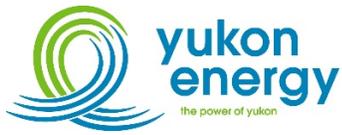
“It is great to see Yukon Energy working together with SunGrid Solutions to advance the battery storage project in Whitehorse. This grid-scale storage project will help leverage existing renewable energy sources while transitioning away from diesel generation. Through investments like this, we will help the Yukon reach its climate goals and protect our territory’s environment for future generations.”

John Streicker, Minister responsible for the Yukon Energy Corporation

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Quick Facts:

- Once complete, Yukon Energy's 7 megawatt / 40 megawatt-hour battery will be the largest grid-connected battery in the North and one of the largest in Canada.
- The new battery is a critical investment in Yukon Energy's ability to meet growing demands for electricity and to respond to emergency situations. As an isolated grid, one of the largest challenges Yukon Energy faces is meeting peak demands for power during winter months.
- The battery will store excess electricity generated during off-peak periods and provide Yukoners with access to more power during peak periods, reducing the amount of diesel needed at that time. Over the 20-year life of the project, the new battery is expected to reduce carbon emissions in the Yukon by more than 20,000 tonnes.
- On September 5, 2019, the Government of Canada announced \$16.5 million in funding for the battery project through the Green Infrastructure Stream (GIS) of the Investing in Canada infrastructure plan.
- Yukon Energy received 13 submissions to the first stage of its procurement process. Eight vendors were shortlisted after the pre-qualification stage and invited to submit a formal proposal as part of the second stage of the procurement process. Three proposals were received and assessed based on technical specifications, schedule and price.
- Chu Níikwän Development Corporation is Kwanlin Dün First Nation's development corporation. In February 2021, Yukon Energy, Ta'an Kwäch'än Council and Kwanlin Dün First Nation's development corporation, Chu Níikwän Development Corporation, signed a Term Sheet outlining Yukon Energy's commitment to provide investment, procurement, contracting and partnership opportunities to both First Nations as part of the battery project.



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