

2019 Capital Budget Amendment – Energy Efficiency Upgrades – Strategic Energy Management Plan**Report Purpose**

To seek Council approval for an amendment to the 2019 Capital Budget to increase funding for the Energy Efficiency Upgrades – Strategic Energy Management Plan project to take advantage of an approved energy efficiency rebate through the Municipal Climate Change Action Centre (MCCAC).

Recommendation

THAT an amendment to the 2019 Capital Budget for the Energy Efficiency Upgrades – Strategic Energy Management Plan project to increase the scope and available funding in the amount of \$648,620 (from \$500,000 to \$1,148,620), with the additional amount (\$648,620) to be funded from the Municipal Climate Change Action Centre Recreation Energy Conservation Program, be approved.

Our Prioritized Strategic Goals

Goal 2 - Manage, invest and plan for sustainable municipal infrastructure

Goal 5 - Foster collaboration through regional, community and governmental partnerships

Report

Facility Services developed the Strategic Energy Management Plan (SEMP) that during its development asked for and received \$500,000 in funding as part of the 2019 capital budget approval. This funding is being used to implement energy upgrades identified in the SEMP. To date \$133,370 has been spent out of the approved project.

To support the objectives of the SEMP, Facility Services has been leveraging these funds through funding programs offered by MCCAC. To date Facility Services has received the following funds from two MCCAC programs.

Recreation Energy Conservation Program (rebates):

- KLC – Lighting Retrofit - \$14,947
- MP Lighting - \$5,693

Municipal Energy Manager (MEM) (grant):

- Energy Manager – total received - \$118,788

Utilizing the MEM program, our energy manager identified an LED lighting retrofit for Millennium Place that qualified for the MCCAC rebate through their Recreation Energy Conservation Program.

The project costs and projected energy efficiency benefits are shown in the table on the next page.

Energy Project Performance Estimate		
Estimated Annual Baseline Energy Consumption (kWh):	1,163,184	kWh / year
Estimated Annual Energy Savings (kWh):	666,500	kWh / year
Estimated Average Demand Savings (kW):	125	kW / year
Estimated Annual Energy Cost Savings (\$):	\$45,322	
Estimated Annual GHG Emission Reduction (tonnes):	379	tonnes / year
Estimated Effective Useful Life (years):	9.38	years
Estimated Lifetime GHG Emission Reduction (tonnes):	3,562	tonnes
Total Project Cost (\$): (equipment and labour)	\$864,826	
Estimated REC Program Incentive	\$648,620	
Estimated Simple Payback without Incentive (Years):	19.1	years
Estimated Simple Payback with Incentive (Years):	4.8	years

For this project, the County will fund their \$216,206 portion of the \$864,826 forecast project cost from funds still available within existing approved project; the remaining \$648,620 will be funded by MCCAC.

MCCAC will provide the rebate upon completion of the project and the submission of project expenses and supporting documentation, based on a funding formula using the actual project expenses to calculate the final rebate amount.

Planned Spend

Year	2021	2022		Total
Expenditure by Year	\$500,000	\$364,000	\$	\$864,826

Council and Committee History

- July 7, 2020 Council approved THAT a Green House Gas (GHG) target of achieving a 15% decrease from 2018 levels by 2030 for municipal buildings be approved.
- December 2018 Council approved \$500,000 for energy efficiency upgrades as part of the 2019 capital budget.

Other Impact

Policy: FIN-001-024: Financial Reserves; FIN-001-027: Tangible Capital Assets Financial Reporting Policy Municipal Sustainable Building

Legislative/Legal: MCCAC funding agreement to be reviewed by LLS.

Interdepartmental: Coordination with RPC and Millennium Place operations