REPORT TO: COMMITTEE OF THE WHOLE

FROM: Ron Belcourt, Director of Recreation, Parks and Properties

DATE: February 17, 2015

SUBJECT: Energy Management Partnership

REPORT HIGHLIGHTS

- In response to the Green Energy Act, the municipality must report annually on energy use/greenhouse gas emissions and create a 5 year energy conservation plan.
- Simcoe County has a lot of experience in this area and has entered into an Energy Management Services Contract with Honeywell/360 Energy.
- Member municipalities in the County of Simcoe have the option of “piggybacking” onto the County contract with Honeywell/360 Energy.
- Honeywell will undertake a no-risk, no obligation assessment to develop the foundation of an Energy Conservation and Implementation plan for the Township of Springwater through their Opportunity Assessment Report.
- Staff is seeking Council approval to engage Honeywell to proceed with Step 1.

RECOMMENDATION

THAT the report from the Director of Recreation, Parks and Properties regarding Energy Management Partnership, dated February 17, 2015, be received; and

THAT staff pursue a potential Energy Management Partnership through the County of Simcoe’s agreement with Honeywell; and

THAT Honeywell be engaged to complete Step 1, Solution Introduction, and provide a report and presentation of the potential energy savings to the Township for consideration.

BACKGROUND

The Green Energy Act requires municipalities to report annually on energy use and greenhouse gas emissions and develop five year energy conservation plans. To date, Springwater has been able to complete the annual energy use and greenhouse gas emissions reporting utilizing the Energy Planning Tool available through Local Authority Services (LAS), which is a division of the Association of Municipalities of Ontario (AMO). Springwater has not finalized a five year energy conservation and implementation plan.
In February 2012, the County of Simcoe issued a Request for Proposal for Energy Management Services to prepare for the reporting requirements of the Green Energy Act. In June 2012, the County of Simcoe’s Energy Management Services Contract was awarded to Honeywell/360 Energy. Included in the Energy Management Services Contract, is that any of the member municipalities in the County of Simcoe could “piggyback” onto the contract and Honeywell/360 Energy must provide the same services to the member municipalities with the same terms and conditions as provided in the contract with the County of Simcoe.

Staff met with Honeywell for an introductory discussion on understanding the services Honeywell is able to provide through their contract with the County of Simcoe. What can be of particular benefit to Springwater is their Comprehensive Municipal Solution energy retrofit projects, which is a comprehensive, bundled “self-funded” project whereby the equipment and technology Honeywell installs to modernize buildings and facilities is paid for by revenue, grants, guaranteed energy savings and operational savings.

Honeywell offers a five step program that takes a municipality through an exercise that creates an energy conservation plan as well as an implementation plan. These steps are detailed below:

1. Solution Introduction

   Undertake assessment workshops and reviews to determine energy efficient opportunities. An Opportunity Assessment Report is prepared and presented to Council.

2. Sign Letter of Intent

   This is a risk free agreement that enables Honeywell to work with the municipality to develop an implementation plan.

3. Program Development

   Once the program has been developed, the municipality can determine if all or part of the program is worth pursuing, or, the municipality can exit from the letter of intent.

4. Project Implementation

   Honeywell would implement a program in whole or in part to implement the municipality’s energy conservation plan.
5. Savings Stream Guarantee

As a result of the contract, the municipality would benefit from a 10 to 15 year savings stream guarantee. There will also be performance measurements put in place to ensure results.

The Township of Clearview partnered with Honeywell to replace the refrigeration system in the Stayner Arena at minimal cost to the taxpayers and have commenced with a LED Streetlight pilot project testing 4 manufacturers fixture. The overall streetlight project is in the pre-approval stage and expected to be completed in the fall of 2015. Other participating municipalities include the Township of Essa, (Wastewater Treatment Facility) and the Town of New Tecumseth where Council is to consider implementation Honeywell’s comprehensive solutions program in March 2015. All municipalities have had a positive relationship with Honeywell.

The County of Simcoe contract also provides for 17 partnership deliverables that Springwater could access. If Springwater wanted to proceed, there are no minimum number of deliverables that are required to be accessed to become a partner in the program and all the deliverables are to be supplied at the quoted per diem rate. These deliverables include, but are not limited to, meeting the requirements of the Green Energy Act, energy expenditure and usage analysis, energy management roadmap, knowledge transfer to staff, capital equipment retrofits, greening the fleet.

Staff is seeking Council approval to engage Honeywell to proceed with Step 1, Solution Introduction. Step 1 will explore opportunities, conduct assessments and reviews. The scope will be finalized and an Opportunity Assessment Report will be presented to Council for consideration.

BUDGET IMPLICATIONS

There are no budget implications associated with this report.

CONCLUSION

The Honeywell Comprehensive Municipal Solution offers the Township of Springwater an opportunity to modernize its facilities and operations with new equipment and technology that will provide guaranteed energy savings and will assist the data required to produce an achievable five year energy management plan.

GUIDING PRINCIPLES

The above initiative supports Council’s guiding principle of:

1. Infrastructure, Financial Management & Service Delivery
APPLICABLE MUNICIPAL POLICY OR LEGISLATION

- Green Energy Act,
- Regulation 397/11 - Energy Conservation and Demand Management Plans

APPROVALS

Submitted by: Ron Belcourt, Director of Recreation, Parks and Properties
Budget Implications Reviewed by: Jeff Schmidt CPA, CGA, BAS, Director of Finance
Approved by: Robert Brindley, Chief Administrative Officer
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