



REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Damian Szybalski, Corporate Planning Project Lead and Manager of Sustainability

DATE: May 14, 2015

REPORT NO.: PDS-2015-0037

RE: Mayor's Community Energy Plan (Project Update #8)
Final Consolidated Mayor's Community Energy Plan
File No. D27-CO

RECOMMENDATION:

THAT Report No. PDS-2015-0037 (dated May 14, 2015) regarding the final consolidated Mayor's Community Energy Plan, be received;

AND FURTHER THAT the Mayor's Community Energy Plan, dated May 2015, and attached under separate cover to Report No. PDS-2015-0037, including the associated energy and greenhouse gas reduction targets and recommendations, be approved.

PURPOSE OF REPORT:

The purpose of this report is to provide an overview of the final consolidated Mayor's Community Energy Plan. The consolidated Plan consists of the previously Council-approved Corporate Energy Plan, and the Local Action Plan which was approved by Council in draft form in March 2015.

BACKGROUND:

Throughout the duration of the Mayor's Community Energy Plan project, Town staff provided Council with updates as key milestones were reached. This included the following staff reports:

- PDS-2015-0008: <http://haltonhills.ca/calendars/2015/PDS-2015-0008.pdf>
- PDS-2014-0041: <http://haltonhills.ca/calendars/2014/PDS-2014-0041.pdf>

- PDS-2014-0037: <http://haltonhills.ca/calendars/2014/PDS-2014-0037.pdf>
- PDS-2014-0021: <http://haltonhills.ca/calendars/2014/PDS-2014-0021.pdf>
- PDS-2014-0005: <http://haltonhills.ca/calendars/2014/PDS-2014-0005.pdf>
- PDS-2013-0053: <http://haltonhills.ca/calendars/2013/PDS-2013-0053.pdf>
- PDS-2013-0045: <http://haltonhills.ca/calendars/2013/PDS-2013-0045.pdf>

Most recently, through Report No. PDS-2015-0008, Council approved the draft Local Action Plan component of the Mayor's Community Energy Plan, and directed Town staff to report back with the final consolidated Mayor's Community Energy Plan.

The Mayor's Community Energy Plan consists of two closely related and complementary components which have now been consolidated into one Plan (Figure 1).¹ The first is the Corporate Energy Plan which has already been approved by Council. Developed in response to the requirements of the Green Energy Act, the Corporate Energy Plan outlines a 5-year roadmap for successful energy management (electricity, natural gas and vehicle fuel) at Town facilities. Leveraging the Town's pre-existing commitment to energy conservation, the Corporate Energy Plan is designed to ensure that new and existing Town facilities are built and operated as efficiently and sustainably as possible. The Plan's three main objectives are:

1. The Town of Halton Hills is a national leader in the efficient management of energy in its operations;
2. The efficient use of energy is part of the day-to-day activities of Town staff; and
3. The Town's environmental and financial sustainability are improved through energy management initiatives that are Practical, Affordable, Reasonable, Educational and Enforceable.

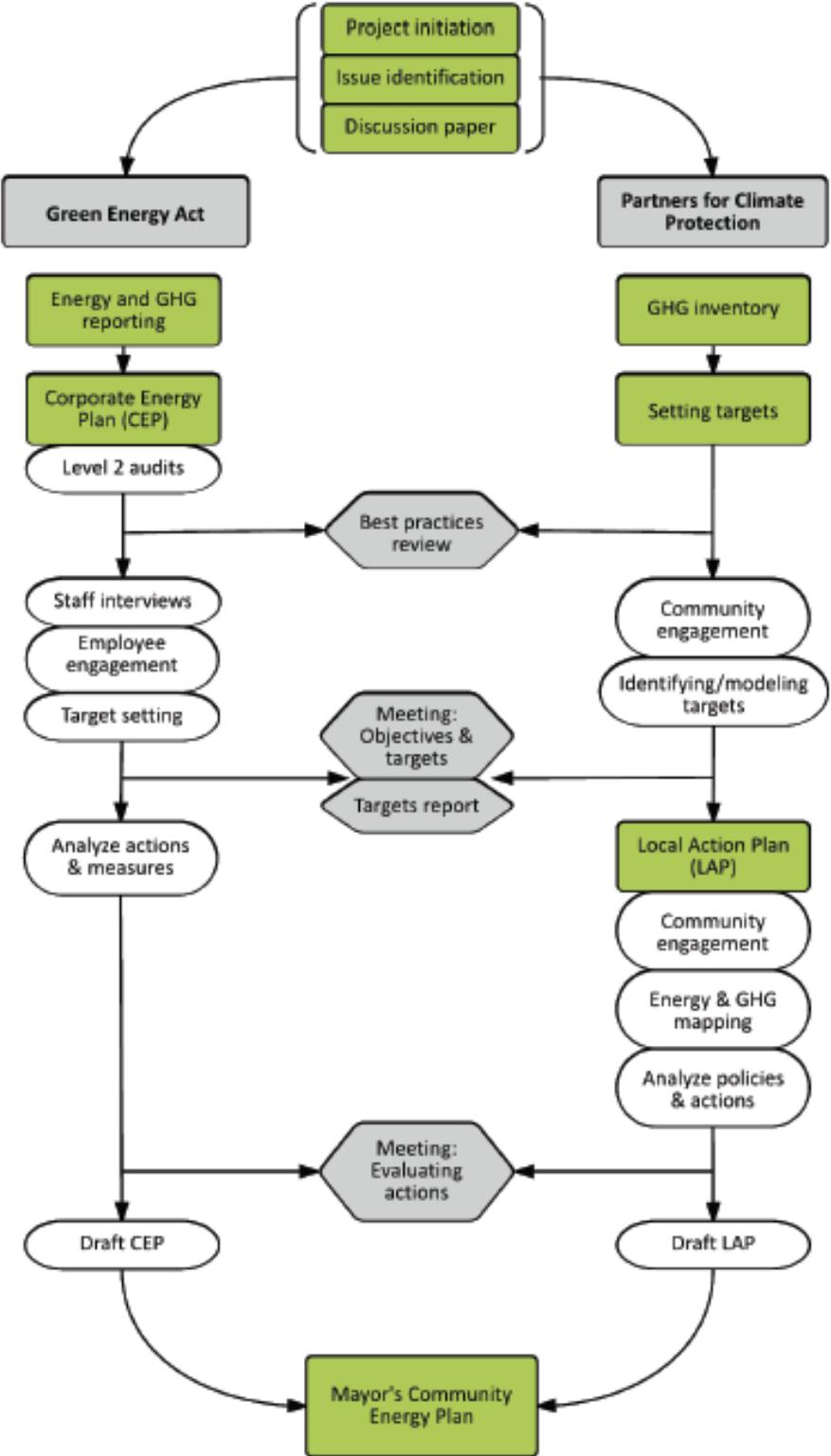
The second component of the Mayor's Community Energy Plan is the Local Action Plan. It is focused on community-wide energy use, consumption patterns and greenhouse gas emissions. The Local Action Plan fulfills the first three milestones of the Federation of Canadian Municipalities' Partners for Climate Protection program, specifically:

- Creation of a community-wide greenhouse gas emissions inventory;
- Setting of a greenhouse gas emissions reduction target; and
- Development of a Local Action Plan (LAP) which outlines actions that can be taken towards achieving the selected greenhouse gas reduction target.

The remaining two milestones pertain to the Local Action Plan's implementation, and monitoring and reporting. As directed by Council, Town staff will develop an implementation Action Plan to facilitate the implementation of the Local Action Plan and the completion of the remaining two milestones.

¹ It is important to note that some details may have changed since the respective components were created and approved. These details have largely been left as they existed in the original document to retain continuity with the original documents. Any further necessary refinements can be made as part of the Plan's regular review cycle.

Figure 1: Key Milestones in the Development of the Mayor's Community Energy Plan



COMMENTS:

1. Context

Municipalities directly or indirectly control about half of all greenhouse gas emissions in Canada.² North American municipalities are increasingly focused on energy as a strategic priority to reduce operating costs, support economic development, mitigate rising utility costs, and to demonstrate their commitment to long-term sustainability. The Province of Ontario is moving forward with a climate change strategy and carbon pricing to tackle the negative impacts of climate change.

A June 2012 report prepared for the Insurance Bureau of Canada by the Institute for Catastrophic Loss Reduction, estimated the financial impacts (i.e. insured losses) caused by severe weather to have ranged from \$10 to \$50 billion globally each year over the past decade. In 2011, these costs reached \$100 billion. In Canada alone, between 2009 and 2011, losses reached about \$3.6 billion.³

The Mayor's Community Energy Plan positions the Town to be able to take meaningful action in advancing energy conservation, reducing greenhouse gas emissions and addressing climate change.

2. Updates

While no updates have been made to the Corporate Energy Plan component since it had already received full Council approval, minor updates were made to the Local Action Plan component⁴ to provide additional clarity and to respond to Council's direction to:

- Add an additional action to Table 16 of the draft Local Action Plan which directs staff to: "Plan and design the Vision Georgetown community to be transit ready";
- Amend Action #10 in Table 16 of the draft Local Action Plan by (i) deleting the "\$40,000" estimated cost; (ii) deleting the word "regional" in the "Relevance" column; and (iii) deleting action 10.1; and
- Replace all "TBD" listed in the "Funding Sources" column with "Town".

Some of the "Funding Sources" are listed as "N/A". Any refinements can be made as part of a subsequent Implementation Action Plan.

² Act Locally: The Municipal Role in Fighting Climate Change. EnviroEconomics. Prepared for the Federation of Canadian Municipalities. December 8, 2009. Accessed August 25, 2014. Available at: www.fcm.ca/Documents/reports/Act_Locally_The_Municipal_Role_in_Fighting_Climate_Change_EN.pdf

³ Telling the Weather Story. June 2012. Institute for Catastrophic Loss Reduction. Prepared for the Insurance Bureau of Canada. Accessed June 11, 2014. Available at: www.ibc.ca/en/Natural_Disasters/documents/McBean_Report.pdf

⁴ Both components were edited/formatted for the purpose of consolidating them into one Plan.

No additional public comments were received on the draft Local Action Plan.

Importantly, staff at the Federation of Canadian Municipalities have completed a review of the Corporate Energy Plan and the draft Local Action Plan, and determined that applicable requirements have been met. Formal confirmation will follow upon Council's approval of the consolidated Plan. This will mark a major milestone on the Town's energy conservation, greenhouse gas emission and climate change mitigation/adaptation journey.

3. Overview of the Mayor's Community Energy Plan

The consolidated Mayor's Community Energy Plan is a combination of key content from the already approved Corporate Energy Plan as well as the draft Local Action Plan. Readers requiring additional detail either in terms of the Corporate Energy Plan and/or Local Action Plan are encouraged to consult the individual standalone plans, and/or the associated staff reports cited above.

Key sections of the consolidated Plan include:

- Executive Summary of the overall Plan.
- The local, provincial, national and international context within which the Plan was completed.
- The scope of the Plan.
- Results of energy and greenhouse gas computer modeling.
- Recommendations.

3.1 Key Recommendation of the Corporate Energy Plan Component

In terms of corporate energy management at Town facilities, the Mayor's Community Energy Plan outlines about 90 priority actions for implementation between 2014 and 2019. Implementation is projected to translate into:

- 13% to 17% improvement in energy intensity;
- 16% to 20% reduction in greenhouse gas emissions; and
- About \$1.2 million in financial benefits for the Town (net present value).

The capital investment needed to realize these benefits is estimated at about \$250,639 or about \$50,100 annually.

3.2 Key Recommendation of the Local Action Plan Component

In terms of community-wide energy use, greenhouse gas emissions and economic benefits, based on a the analysis of land-use patterns, transportation scenarios and other factors, the Local Action Plan component recommended the following targets:

- 35% reduction in per capita greenhouse gas emissions by 2031 – compared to 2011 levels; and

- 14% reduction in total greenhouse gas emissions by 2031 – compared to emissions modelled for Scenario 1 (Moderate Energy Efficiency).

To achieve these targets, a series of actions is recommended related to the promotion of intensification, mixed-use development, energy retrofits, establishment of a revolving loan fund, expanding the uptake of incentives, enhancement of the Town's Green Development Standards, completion of a district energy feasibility study, enhancing active and public transportation options, expanding the Smart Commute program, expanding the use of local foods, developing a Green Economic Development Strategy, enhancing the forest area as a carbon sink, and ongoing monitoring and update of the Plan. Implementation is projected to generate about \$271 million in energy savings.

4. Implementation Action Plan

As directed by Council, Town staff will report back with an implementation Action Plan to ensure the Plan's effective implementation. This will include confirming project leads, sources of funding, and the prioritization of actions.

RELATIONSHIP TO STRATEGIC PLAN:

Sustainability is one of ten Council priorities identified in the Town's current Strategic Action Plan, and repeatedly referenced throughout the Strategic Plan's Strategic Objectives and Strategic Actions. Therefore, the completion of the Mayor's Community Energy Plan will better enable the Town to fulfill its many sustainability objectives, including those directly related to energy. In particular, Strategic Action B.5.(h) which reads: "Develop a Community Energy Plan, in cooperation with Halton Hills Community Energy Corporation."

FINANCIAL IMPACT:

The Mayor's Community Energy Plan makes a strong business case for continued investment in energy conservation and greenhouse gas reductions, especially in light of the projected efficiencies, available incentives and Provincial focus on managing greenhouse gas emissions.

Implementation of the Corporate Energy Plan component, alone, is anticipated to generate about \$1.2 million in financial benefits (Net Present Value). Via the Local Action Plan component, implementation is projected to reduce annual energy costs by \$17 million (\$271 in total). There is also the benefit of about 218 new jobs.

Once the Mayor's Community Energy Plan receives final Council approval, the Federation of Canadian Municipalities will be able to transfer the Green Municipal Fund grant to the Town.

COMMUNICATIONS IMPACT:

The Mayor's Community Energy Plan contains a large amount of technical information. Recognizing this, a communication plan and material will be developed.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life. The relationship between this report and the Strategy is summarized below:

Do the report's recommendations advance the Strategy's implementation? Yes

Which pillar(s) of sustainability does this report support?

Economic Prosperity, Environmental Health and Social Well-Being

There is strong alignment between the Mayor's Community Energy Plan and the Community Sustainability Strategy, especially the focus areas of:

- Diversified and Resilient Economy
- Knowledge-Based Industry & Research and Innovation
- Energy
- Air Quality and Greenhouse Gas Emissions
- Green Economy
- Infrastructure
- Natural Heritage
- Land Use
- Housing
- Transportation

The Plan also aligns with the Town's Strategic Plan, Green Plan, Official Plan, Green Development Standards, Vision Georgetown Secondary Plan process, and the climate change report prepared by the Town Environmental Advisory Committee.

Overall, the alignment of this report with the Community Sustainability Strategy is:
Very Good

CONSULTATION:

The project's Steering and Technical committees guided this project. The Senior Management Team, staff involved in the Vision Georgetown project, and the Manager of Transportation and Development Engineering were also consulted. In addition, various modes of community engagement were used throughout the project.

CONCLUSION:

This report provided an overview of the final consolidated Mayor's Community Energy Plan. The consolidated Mayor's Community Energy Plan consists of the previously Council-approved Corporate Energy Plan, and the Local Action Plan which was approved by Council in draft form in March 2015.

Respectfully submitted,

Damian Szybalski, M.Sc.PI, MCIP, RPP
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