



Report: PDL-CPL-16-53

Region of Waterloo

Planning, Development and Legislative Services

Community Planning

To: Chair Tom Galloway and Members of the Planning and Works Committee

Date: December 6, 2016

File Code: D06-80

Subject: **Progress Update on the Community Energy Investment Strategy**

Recommendation:

For Information.

Summary:

Nil

Report:

In 2015, Regional Council approved entering into a collaborative agreement with the Cities of Cambridge, Kitchener and Waterloo along with the five local electric and natural gas utilities serving Waterloo Region to develop a Community Energy Investment Strategy (Reference report PDL-CPL-15-35 dated June 16, 2015). The Region is following the Ontario Ministry of Energy Municipal Energy Plan program which supports development of energy planning at a community-wide scale.

Over 200 communities across Canada, representing over 50% of the nation's population, have completed, or are in the process of developing, Community Energy Plans. Historically, large scale energy planning has been managed by energy generators, transmitters and distributors as well as regulators. More recently, the Province of Ontario has been encouraging and supporting community stakeholders to be more involved and engaged in the development of community energy plans to achieve a wide-variety of goals and objectives related to land-use planning, sustainable energy management and economic development.

The local effort within Waterloo Region, has focussed its planning efforts on developing a Community Energy Investment Strategy. Local partners working with the Region have established the following draft Vision for the strategy:

“To improve the economic competitiveness and quality of life, in a growing Waterloo Region through enhanced investments in energy efficiency, optimization of local energy resources and reduction of environmental impact related to local energy use.”

The strategy development process is being conducted in three stages as required by the Ministry of Energy’s community energy planning program. These stages are outlined as follows:

1. Baseline study and mapping - assessment of current energy consumption spatially as well as factoring in projected population and employment growth.
2. Stakeholder engagement – identify local opportunities, needs and priorities.
3. Plan development – evaluate actions identified, their cost/benefits and recommend options.

An RFP for consulting services was issued in late summer of 2015 and a consortium of three firms specializing in stakeholder engagement, land use and energy modelling were successful bidders. Over the past twelve months, Regional staff have been working with Area Municipalities and local utilities to complete stage 1 involving the development a baseline energy use study, a 25-year energy use forecast and a stakeholder engagement plan which it is now being implemented as part of stage 2. The national not-for-profit organization QUEST (Quality Urban Energy Systems for Tomorrow) has also been working with the Region as part of this process.

Considering the main stationary and transportation energy resources used within Waterloo Region, almost \$2.1 Billion was spent on energy in the year 2014 by all residents and employers. As most of this expenditure flows out of the regional economy, it emphasizes the need for conservation and demand management as well as consideration of opportunities for locally generated and distributed energy resources. These opportunities will be further explored and analyzed within stage 3 during December 2016 – April 2017.

Recently, a number of stakeholder engagement activities have taken place to raise local awareness of this initiative including but not limited to the following:

- Interviews with all Mayors and CAO’s of Area Municipalities (as well as the Regional Chair and CAO), Regional/Municipal senior management

representatives as well as the CEO of the new Waterloo Regional Economic Development Corporation;

- Meetings with investors and interest groups such as local renewable energy co-operatives, energy service companies and non-profits focussing on innovative and sustainable energy initiatives;
- A workshop to gain feedback from Developers and Homebuilders on high energy efficient new construction;
- Participation in a workshop on exploring bioenergy opportunities (for example - use of residual forest or agricultural harvest waste) as well as a recent energy policy forum hosted by the University of Waterloo; and,
- Use of an online presence such as a website and social media.

Stakeholder engagement is required to continue throughout the 2nd and 3rd stages of strategy development. This will include invitations to engaged stakeholders for involvement in additional workshops focussed on identifying and evaluating local options in addition to determining realistic routes for implementation. It is expected that a draft strategy will be presented to Regional Council in the second quarter of 2017 and then shortly thereafter made available for additional stakeholder feedback and broader public comment. The final strategy is expected to be submitted to the Ontario Ministry of Energy within the fourth quarter of 2017.

Corporate Strategic Plan

This report addresses Strategic Objective 3.3 Enhance efforts to improve air quality and specifically Action 3.3.3 Collaborate with stakeholders to develop a Community Energy Investment Strategy.

Financial Implications

The 2015 Community Planning Ten Year Capital Forecast was increased by \$180,000 for the Community Energy Investment Strategy (project 22037) , funded by the Regional Municipality of Waterloo 2015 operating budget (5.6%; \$10,000), the Province (50.0%; \$90,000), and three cities and five local utility companies (44.4%; \$10,000 each). The Region is administering all financial aspects for the development of the strategy. To date, \$81,902 has been spent, leaving \$98,098 (54.5%) remaining in the capital budget to complete the second and third stages.

Other Department Consultations/Concurrence

Staff at the Cities of Cambridge, Kitchener and Waterloo were consulted in the preparation of this report.

Attachments

Nil

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