

# **HALIFAX REGIONAL MUNICIPALITY**

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## **ENERGY AND UNDERGROUND SERVICES ADVISORY COMMITTEE January 20, 2006 MINUTES**

**PRESENT:**

Councillor Sue Uteck  
Councillor Linda Mosher, Chair  
Councillor Len Goucher, Vice Chair  
Councillor Jim Smith  
Councillor Streach

**REGRETS:**

Councillor Stephen Adams  
Councillor Debbie Hum

**STAFF:**

Cathie O'Toole, Manager, Environmental Performance (Energy & Utilities)  
Carl Yates, General Manager, Halifax Regional Water Commission  
Mary Ellen Donovan, Manager, Legal Services  
Mr. Stephen King, Manager Environmental Performance (Air & Land)  
Brad Anguish, Director, Environmental Management Services  
Stephanie Parsons, Legislative Assistant

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**1. CALL TO ORDER**

The Chair called the meeting to order at 9:18 a.m.

**2. APPROVAL OF MINUTES - November 18, 2005**

**MOVED by Councillor Goucher, seconded by Councillor Smith that the minutes of the November 18, 2005, meeting of the Energy and Underground Services Advisory Committee be approved. MOTION PUT AND PASSED UNANIMOUSLY.**

**3. APPROVAL OF THE ORDER OF BUSINESS AND ADDITIONS AND DELETIONS**

Move           Item 6.1 to be the first order of business.

Deletion       Item 6.2

**MOVED BY Councillor Streach, seconded by Councillor Smith that the agenda be approved as amended. MOTION PUT AND PASSED UNANIMOUSLY.**

**6.1 Clean Air Strategy**

Mr. Stephen King introduced Dr. John Walker of Jacques Whitford Group who will provide a brief overview of the Clean Air Strategy.

Dr. John Walker advised that the strategy involves several approaches, one of which is consultation. The basic hypothesis is to define what the air quality should be, how to achieve that air quality and determine HRM's role.

In response to questions from the Committee Dr. Walker clarified the following:

C       Jacques Whitford Group is providing source testing for the Department of National Defence. The Department of National Defence has taken an active interest in air quality and intends to address greenhouse gas emissions.

C       The air quality may vary in different areas of HRM. They cannot set quantitative standards. However, they can identify qualitative expectations.

C       Points of reference will not be established for various regions of HRM because the data is not available. It is the province's mandate to collect the data not HRM's.

C       They will be reviewing air quality strategies in other cities.

Councillor Goucher raised concern as to how you can set air quality when air quality has not been defined.

Ms. Donovan commented that there was baseline information available from the environmental assessment for the district energy plant in 1994. Dr. Walker advised that the 1994 information would be obsolete.

In response to Councillor Streach, Mr. King clarified that:

- C The RFP was approved in the operating budget last year. Fifty percent of the cost will be recovered through Federation of Canadian Municipalities (FCM).
- C HRM's environmental strategies will not be affected by a change in the Federal Government as each party has maintained that they are going forward with the Clean Air Strategy.

In response to further questions by the Committee Dr. Walker advised that:

- C The report will identify air quality issues within HRM.
- C They will look at a mechanism to address contaminated sites.
- C The Canadian Council Ministers of Environment (CCME) has issued RFP to deal with the practices of soil clean up and review of the standards. CCME is trying to establish Canada wide standards to deal with contaminated soil and guidelines for incinerators and boilers.

The Chair thanked Dr. Walker for his time.

#### **4. BUSINESS ARISING OUT THE MINUTES**

##### **4.1 Wind Energy Master Plan**

- C A document entitled Wind Energy Master plan dated January 13, 2006 was circulated to the Committee.

Ms. O'Toole advised that Jacques Whitford has been awarded the contract. The anticipated completion date is April 6, 2006. She advised that she met with Renewable Energy Services Limited (RESL) to discuss the possibility of additional test turbines. RESL has expressed interest in the Otter Lake and Sackville Landfills. RESL has chosen to focus on areas where they can place turbines without any changes to existing plan amendments or without permit issues.

Councillor Streach asked if there is an opportunity for the wind generation plants to work with the Landfill Gas Project. Ms. O'Toole advised that RESL is interested in the Sackville Landfill because the Highland Project will be operational and will have an interconnection to the transmission system. There would be synergies and benefits to both projects sharing the same connections. Otter Lake does not have the same level of methane. Another issue is that the Mainland Common surrounds Otter Lake Landfill which does not permit wind turbine development.

Ms. Donovan explained that the level of gas production at Otter Lake is different from the Sackville Landfill because of the design of the facility. In older landfills the production of methane increases overtime, as the decomposition takes place, it plateaus over a period of eight years, which results in a steady production of gas to invest in. Due to pre-decomposition work at Otter Lake the production reaches a peak in two years, therefore you do not have the plateau period to invest in.

#### **4.2 Community Energy Plan**

C A document entitled Community Energy Plan RFP Template was before the Committee.

Ms. O'Toole advised that the Community Energy Plan RFP Template will provide recommendations to look at long term energy supply and demand issues and the infrastructure. It will include recommendations on how to deal with risk. HRM has an opportunity to maintain its leadership role with Environmental Sustainability. Natural Resources Canada has chosen HRM to be the template for the development of a request for proposal that all municipalities will be able to use when developing a Community Energy Project. We were chosen because we have urban, suburban and rural features that would be relevant to other municipalities. It is anticipated that the report will be before Council in September.

In response to questions from the Committee, Ms. O'Toole clarified that:

C The RFP template will be completed by March 31, 2006, the RFP would be issued in April, work will start in May and a report will go to Council in September 2006.

C The anticipated cost of the plan is \$60,000-\$100,000, at maximum, it is anticipated that HRM will pay for 50% of the actual cost with FCM and/or Natural Resources Canada paying the balance. HRM's portion will be requested in the 2006/2007 budget. Councillor Mosher suggested that staff indicate that there is a cost sharing agreement in the budget.

#### **4.3 Community Energy Project**

Ms. O'Toole advised that the governance model is under development. Staff is requesting that HRM's funding be issued in the form of capital and that it be issued in one installment at the beginning the project. KPMG has been engaged to work on the tax portion of the governance model, specifically the income tax and HST implications of a public partnership, public private partnership and municipal utilities. The consultant fees will be cost shared with the Department of Energy.

Heritage Gas requires a signature on the distribution agreement. If the Community Energy Entity System was operational, it could sign the agreement. It was suggested that HRM sign the agreement. However, HRM does not have a place to use the gas. Therefore, staff advised the participating parties that it is not something that HRM would consider without sharing the risk.

A brief discussion ensued regarding how the lines can come across the Harbour. It has been determined that directional drilling is the best option because the bridges cannot handle anymore weight and that there is concern with a trench under the harbour as there maybe drag from anchors.

#### **4.4 Sustainability Report**

C A document entitled Sustainability E-Learning. The Natural Step was circulated to the Committee.

Ms. O'Toole advised that the draft Sustainability Report is complete but is undergoing some editing to make the information condensed, concise, and more meaningful. Mr. Anguish, advised that the Sustainability Report is a deliverable of the Chief Administrative Officer (CAO). It is to be submitted by the end of the year. The intent is to advise the public, Council and staff of the state of the environment, and what HRM is doing. The challenge given HRM's profile is not figuring out what we are going to do but rather what we are not going to do. HRM does not have the economy or resources to represent the country. HRM's strategic direction is to ensure that our environment is safe and that our water quality is maintained.

Mr. Anguish advised that it will be expensive to publish the document, Councillor Goucher suggested that the document be circulated in PDF format.

Councillor Uteck asked what happens if it is determined that the air quality is not good. Mr. Anguish commented that the purpose of the report is to identify HRM's role in the environment, to create avenues for improvement and funding. Councillor Uteck commented

that the public will think that it is HRM's problem. Ms. O'Toole advised that a purpose statement is going to be drafted to position the report correctly. Councillor Uteck requested that it be brought forward to the Committee.

A brief discussion ensued regarding the CAO objectives. In response to Councillor Streach, staff advised that it is to their understanding that the former CAO objectives are still relevant until such time that the new CAO provides a new set of objectives.

Councillor Mosher suggested that staff identify the amount of savings and any cost sharing agreements when submitting their budget to Council.

Ms. O'Toole advised that all municipalities must have a sustainability plan within five years. Future distribution of infrastructure funding and gas tax revenues will be impacted by the requirement to have sustainability plans. HRM will be well positioned, as we will have a plan in place.

Councillor Smith raised concern that if HRM accepts every opportunity, it may result in other governments having additional control over HRM, which will make HRM's decision making more difficult when we are trying to figure out what we want to do.

Mr Anguish commented that it cost approximately five thousand dollars to distribute the document, the report will be brought to the Committee prior to distribution. He also suggested that staff provide the Committee with a list of opportunities that have turned down.

Ms. Donovan commented that you should not lose sight of sustainability initiatives with respect to the economic value of them. There is a cost to investing in the sustainable community from an economic point of view and there is a cost of not investing in it.

#### **4.5 Common Trench Best Practices**

- C** A document entitled Common Trench Best Practices, dated January 13, 2006 was before the Committee.
- C** A staff memo dated January 13, 2006 regarding underground wiring projects selection criteria was circulated to the Committee.

Ms. O'Toole advised that a report to Council regarding Common Trench Best Practices will not be available in February, 2006 as the scope has been expanded to include how to make the best use of the right of way and street scape to make it economical for

everybody, while allowing the maximum potential for trees, sidewalks benches, etc.

One option is underground wiring beneath sidewalks to allow more room for trees, etc. It is anticipated that the report will be ready in March as more consultation with the public and development community is required.

**5. REPORTS**

**6. PRESENTATIONS**

**6.1 Clean Air Strategy** - See page 3.

**7. ADDED ITEMS**

**7.1 International Sustainability Network.**

Mr. King advised that HRM's application was submitted and the Memorandum Of Understanding was signed at the Environment Roundtable in December 2005. HRM has been approached with a possible international exchange with an African country. In considering the exchange staff will be looking at what are the benefits to HRM.

Staff will be meeting with representatives of the City of Calgary to discuss their Sustainability Strategy. Staff would also like to meet with their community partners and be present while they are doing their consultations. Calgary has a successful program called "Imagine Calgary" staff is interested to know why the program is so successful. Calgary also has their own electric company that does well.

**8. ADJOURNMENT**

There being no further business, the meeting adjourned at 10:32 a.m.

Stephanie Parsons  
Legislative Assistant