



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No.
Environment & Sustainability Standing Committee
September 10, 2014

TO: Chair and Members of Environment & Sustainability Standing Committee

SUBMITTED BY: Original signed

Jane Fraser, Director, Planning & Infrastructure

DATE: June 26, 2014

SUBJECT: Barriers to District Energy

INFORMATION REPORT

ORIGIN

Environment & Sustainability Standing Committee, March 6, 2014 (6.3.4), approved the motion: ESSC 1) request a staff report to identify possible opportunities for HRM to move forward on in the QUEST: Barriers to District Energy Report that might precede the completion of the Community Energy Plan; 2) Refer the QUEST for consideration for UNSM Sustainable Practices Committee

LEGISLATIVE AUTHORITY

HRM Charter, Power to expend money 79 (1)(ad) a system for the supply or distribution of electricity, gas, steam, or other source of energy.

BACKGROUND

On March 6, 2014, QUEST Canada presented the results of the recently completed report: The Role of District Energy in making Nova Scotian Communities Energy Resilient. The report, which can be viewed online at www.questcanada.org, reviewed the success of district energy in Denmark, compared Denmark to Nova Scotia and made eight provincial recommendations and three municipal recommendations.

DISCUSSION

The eleven recommendations from QUEST Canada are:

Provincial Recommendations

1. For the Province of Nova Scotia to establish a District Energy Champion
2. To work with Local Government
3. To Mandate Local Authorities to Reduce Energy Usage by 25%
4. To support District Energy Investments
5. To connect Provincial government buildings to District Energy Systems
6. To clarify power of the UARB
7. To support research and education
8. Modify the Condominium Act with respect to DE

Municipal Recommendations

9. Support Municipal Ownership and Operations
10. Connect Municipal Buildings to DE Systems
11. Introduce supportive municipal policies

Currently, the municipality is on track to complete the Community Energy Plan in 2014/15, with cooperation from the Halifax Chamber of Commerce and QUEST. The Plan will include policy direction and priorities for the municipality on the energy file, including district energy. District Energy success has been unable to establish a presence in the municipality despite ten years of varying efforts, substantial municipal investment (primarily staff time), and collaborative initiatives.

The December 6, 2012, report to Environment and Sustainability Standing Committee, District Energy: Municipal Role reviewed the role of HRM on the district energy file. Recommendations 10 and 11 are consistent with current status where the municipality investigates opportunities for district energy during the construction of new municipal facilities, and introducing supportive policies in the opportunities of municipal planning efforts. Recommendation 9 is referenced with the municipality being open to receiving private sector proposals and be available to actively collaborate planning with hospitals, universities, and other levels of government. The decision of ownership is a business decision that Regional Council can make on a case by case basis.

The Province of Nova Scotia establishes the policy framework with respect to energy. Existing provincial policy does not prioritize district energy. On June 5, 2014, the Nova Scotia Department of Energy presented to ESSC on opportunities with respect to the Retail Electricity Act and, during the presentation, presented an invitation from the Minister of Energy to collaborate on energy opportunities. It is important that municipal staff understand the Provincial response to the recommendations, including the funding and priority of developing district energy projects. This work aligns well with the timeline of the Community Energy Plan, but does not appear to be able to happen before its completion at the end of the fiscal year.

FINANCIAL IMPLICATIONS

There are no impacts to the 2014/15 Operating or Project Budgets with current direction. Alternative direction to undertake specific projects would require a shift of council priorities currently in process or additional resources.

COMMUNITY ENGAGEMENT

This reports results from the advocacy efforts of QUEST.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Original signed

Report Prepared by:

Richard MacLellan, Manager, Energy & Environment 490-6056
