

ENERGY AND UNDERGROUND SERVICES ADVISORY COMMITTEE

July 18, 2007

MINUTES

PRESENT: Councillor Andrew Younger, Chair
Councillor Becky Kent
Councillor Debbie Hum
Deputy Mayor Sue Uteck
Councillor Jim Smith

**ABSENT
WITH REGRETS:** Councillor Stephen Adams, Vice-Chair
Councillor Sheila Fougere
Councillor Steve Streach
Councillor Linda Mosher
Mayor Peter Kelly

STAFF: Mr. Julian Boyle, Energy Auditor, Capital Projects, Real Property
Asset Management, Transportation and Public Works
Mr. Shayne Vipond, Planner
Mr. Austin French, Manager, Settlements, Regional Planning,
Governance & Strategic Initiatives
Mr. Martin Ward, Solicitor
Mr. Mike Labrecque, Director, Transportation and Public Works
Mr. Brad Anquish, Director, Environmental Management Services
Ms. Cathie O'Toole, Acting Director, Finance Services
Ms. Chris Newson, Legislative Assistant

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1. CALL TO ORDER

Councillor Younger, Chair, called the meeting to order at 10:01 a.m. in Halifax Hall, 2nd Floor City Hall, 1841 Argyle Street without quorum present.

The Committee agreed to deal with agenda Item 5.1 Alderney 5 - Energy Project Brief at this time.

5. NEW BUSINESS

5.1 Alderney 5 - Energy Project Brief

- A copy of the PowerPoint presentation was before the Committee.
- A Staff Report dated July 11, 2007 was before the Committee.
- A copy of a letter, dated July 11, 2007, from Ms. Maria Dober, Acting Director, Environmental Protection Operations Directorate - Atlantic, was circulated to the Committee at this time.

Mr. Julian Boyle, Energy Auditor, Capital Projects, Real Property Asset Management, Transportation and Public Works, presented the report.

Deputy Mayor Uteck entered the meeting at 10:04 a.m.

Councillor Kent entered the meeting at 10:11 a.m. Quorum was obtained at this time.

During the ensuing discussion on the matter, staff provided the following response to questions/concerns of the Committee:

- The capital costs to HRM after ten years will be minimal. The pumps are small and the borehole systems have a life expectancy of 50 to 100 years. The project has a relatively low capital investment/operating risk for HRM.
- "*..other related expenditures*", referred to on page 7 of the staff report, would be projects within the scope of the Alderney 5 Project such as the temporary displacement of the Alderney Landing parking area and compensation for revenue loss associated with that displacement.

Councillor Younger referred to the letter from Ms. Maria Dober, dated July 11, 2007, which reconfirms Environment Canada's support for the Alderney 5 Energy Project.

- The seawater exchange (pumphouse) will be located off the breakwall.
- Fresh water will go to the boreholes. Seawater will be discharged into the harbour.
- All heating will be centralized from the mechanical room. The same amount of heat will be provided without the need for underground oil tanks.
- HRM will keep the carbon credits.
- The proto-type was tested on the North West Arm by a local firm.

In response to Councillor Smith's suggestion to increase HRM's rate class, in order to obtain the best rates for natural gas, by having more HRM facilities hooked up to natural

gas, Ms. Cathie O'Toole, Acting Director, Finance Services, commented that staff will look into the tariff and rate structures in regard to natural gas. She explained that the rates are approved by the Nova Scotia Utility and Review Board (NSUARB) which has criteria/definitions for what constitutes a customer. The number of GJ (gigajoules) per customer determines the rate class.

- FCM (Federation of Canadian Municipalities) did provide pre-approval for the project. Confirmation should be received by mid-September.
- Currently, funding for the project will be through HRM's reserve funds. HRM will be reimbursed through the energy savings.

MOVED BY Councillor Smith, seconded by Deputy Mayor Uteck that the Energy and Underground Services Advisory Committee recommend that Regional Council:

1. **Authorize an increase in the Gross Capital budget in the amount of \$2,689,143 as per the Budget Implications section of the report dated July 11, 2007.**
2. **Authorize an unbudgeted withdrawal of \$1,034,286 from the Capital Replacement Reserve (Q130) to be repaid from energy savings as per the Budget Implications section of the report dated July 11, 2007.**
3. **Authorize HRM to enter into a contract with High Performance Energy Systems for energy retrofits of the Alderney 5 buildings subject to the key terms and conditions as per the Background section of this report and subject to provincial ministerial approval of the capital lease component.**

MOTION PUT AND PASSED.

The Committee agreed to deal with agenda Item 5.2 Wind Energy Project Review Presentation - Request for Feedback and Direction at this time.

5.2 Wind Energy Project Review Presentation - Request for Feedback and Direction

- A copy of the PowerPoint presentation was before the Committee.
- A Memorandum dated July 11, 2007 was before the Committee.

Mr. Shayne Vipond, Planner, presented the information.

During the ensuing discussion on the matter, members of the Committee raised the following concerns:

- If enforcement is to be through HRM's Noise By-Law, the amendments will have to be clearly written.
- The variance option for the Planning and Development administrative processes is not recommended.
- Permit the installation/use of wind turbines in business/industrial parks as part of Phase 1. If businesses/developers have to wait too long for approval, they may leave the area.
- Consider granting permits now for the use of small residential accessory use

turbines as there are residents who wish to utilize this energy option for boathouses etc. Staff responded that they would prefer to have adequate controls in place prior to granting any permits.

- Request that staff reconsider the term “sensitive” in regard to area suitability for wind turbines as the semantics may cause controversy.
- Ensure a clear separation between “residential” and “small scale”.
- Staff are to clarify whether wind turbines would be a permitted use in areas designated as Industrial Zones or; only permitted in Industrial Parks.
- Include some aspect of Industrial Zone lands in Phase 1.
- The areas of designation may have to be very specific as some areas may not want wind turbines used at all.
- Suggest that staff consult with the Industrial Park Business Associations to obtain their input/comments/concerns.
- Remove the option for “Discretionary Council Approval” as outlined in Discussion Item #1 for Large Scale Wind Turbines. A case by case discretionary approval option can/will cause problems. The criteria has to be clear.

Mr. Vipond thanked the Committee for their input. He explained that staff will also seek comment/input from the Regional Plan Advisory Committee and then return to the Energy and Underground Services Advisory Committee at a later date. The next steps would be a presentation to a Committee of the Whole session and then to Regional Council. Phase 1 should be completed by November 2007. Phase II will commence in approximately 9 months.

2. APPROVAL OF MINUTES

MOVED by Deputy Mayor Uteck, seconded by Councillor Hum that the minutes of June 11, 2007, as presented, be approved. MOTION PUT AND PASSED.

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

Move: Item 5.1 to be dealt with immediately following the Call to Order.
Item 5.2 to be dealt with immediately following Item 5.1

Additions: 6.1 Correspondence (Information Item) - from the Honourable Mark Parent, Minister, Department of Environment and Labour.

MOVED by Councillor Smith, seconded by Councillor Hum that the agenda, as amended, be approved. MOTION PUT AND PASSED.

4. BUSINESS ARISING FROM THE MINUTES / DEFERRED ITEMS - NONE

5. NEW BUSINESS

5.1 Alderney 5 - Energy Project Brief

This item was dealt with earlier in the meeting. See page 3.

5.2 Wind Energy Project Review Presentation - Request for Feedback and Direction

This item was dealt with earlier in the meeting. See page 4.

6. ADDED ITEMS

6.1 Correspondence (Information Item)

A letter dated July 9, 2007 from the Honourable Mark Parent, Minister of the Department of Environment and Labour, in regard to the Clean Air and Climate Change Trust Fund announcement was circulated to the Committee at this time.

7. NEXT MEETING DATE - August 31, 2007.

8. ADJOURNMENT

The meeting adjourned at 11:27 a.m.

Chris Newson
Legislative Assistant