

Item No. 11.3.1
Halifax Regional Council
July 10, 2012

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original signed
for ~~_____~~ Councillor Barry Daffy, Chair, Environment and Sustainability
Standing Committee

DATE: June 28, 2012

SUBJECT: Halifax Water COMFIT Applications; Bio-solids to Energy and In-Line Turbine Projects

ORIGIN

The June 7, 2012 and special June 26, 2012 Environment and Sustainability Standing Committee meetings.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Endorse the COMFIT Project Registration/Application to the Department of Energy for the "*Halifax Regional Water Commission Energy from Bio-Solids Concept Plan*", as described in the February 16, 2012 staff report to the Halifax Regional Water Commission Board; and
2. Endorse the COMFIT Project Registration/Application to the Department of Energy for the "*Halifax Regional Water Commission Energy Recovery from Orchard Control Chamber Project*", as described in the April 18, 2012 staff report to the Halifax Regional Water Commission Board.

BACKGROUND

As part of the COMFIT application process, applicants are encouraged to obtain local municipal support for proposed projects. In keeping with this process, Halifax Regional Water Commission staff delivered a presentation to the Environment and Sustainability Standing Committee on June 7, 2012 to seek endorsement for two projects and provide an update on wind energy projects previously endorsed by HRM. Halifax Water's presentation reviewed the following:

- Energy from Bio-Solids
- Energy from Water: energy recovery using in-line turbines
- Wind energy in relation to the Pockwock Wind Project and Lake Major Wind Project

Following the June 7th meeting, a special meeting was held June 26, 2012 to bring forward a staff report outlining the impact on the Municipality's operations, budget, and/or planning activities respecting the inline turbine projects and biosolids/biomass project.

Additional background information can be reviewed in the attached staff report dated June 15, 2012, and the following Halifax Water reports:

- Halifax Water's presentation of June 7, 2012 entitled: Renewable Energy Projects
<http://www.halifax.ca/boardscom/swrac/documents/RenewableEnergyPresentationtoESSCJune72012.pdf>
- Staff report to the Halifax Regional Water Commission Board dated February 16, 2012 entitled: Bio-Solids Energy Project Development
<http://www.halifax.ca/boardscom/swrac/documents/HRWCBoardReport-BiosolidsCHP.pdf>
- Staff report to the Halifax Regional Water Commission Board dated April 18, 2012 entitled: Energy Recovery from Orchard Control Chambers – Pilot Project -
<http://www.halifax.ca/boardscom/swrac/documents/HRWCBoardReport-OrchardILT.pdf>

DISCUSSION

During the June 7, 2012 meeting, Halifax Water responded to questions related to energy from bio-solids and energy recovery using in-line turbines. The Standing Committee passed motions endorsing the "*Halifax Regional Water Commission Energy from Bio-Solids Concept Plan*" and the "*Halifax Regional Water Commission Energy Recovery from Orchard Control Chamber Project*" COMFIT Registration/Applications to the Department of Energy, and referring it to Halifax Regional Council for endorsement of the two COMFIT Registration/Applications.

As noted above, HRM staff provided clarification at the June 26, 2012 special meeting related to the impact on the Municipality's operations, budget, and/or planning activities of the inline turbine projects and biosolids/biomass project. Staff reported there were no impact for the inline turbine projects and negligible impact to the biosolids/biomass project, as identified in the attached June 15, 2012 staff report. The Environment and Sustainability Standing Committee passed a motion recommending that Halifax Regional Council endorse the Halifax Water ComFIT project proposal for Biosolids/Biomass Facility and an inline turbine at the Orchard Control Chamber.

BUDGET IMPLICATIONS

As identified in the June 15, 2012 staff report, there are no impacts to the 2012/2013 Halifax Regional Municipality Operating or Project Budget.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

The Environment and Sustainability Standing Committee meetings are open to the public.

ENVIRONMENTAL IMPLICATIONS

The Nova Scotia COMFIT Program is a provincial program designed to transition Nova Scotia to a more renewable energy portfolio. This report aligns with that objective under the *Environmental Goals and Sustainable Prosperity Act*.

ALTERNATIVES

No alternatives were provided by the Environment and Sustainability Standing Committee. However, Council may choose not to endorse one or both of the COMFIT Registration/Applications; this is not recommended.

ATTACHMENTS

1. Staff Report dated June 15, 2012 entitled: Halifax Water ComFIT Endorsement

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Krista Vining Legislative Assistant, Office of the Municipal Clerk, 490-6519



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Environment and Sustainability Standing Committee
July 5, 2012

TO: Chair and Members of Environment and Sustainability Standing Committee

Original signed

SUBMITTED BY: _____
Peter Stickings, Acting Director, Planning & Infrastructure

DATE: June 15, 2012

SUBJECT: Halifax Water ComFIT Endorsement

ORIGIN

Environment and Sustainability Standing Committee, June 7, 2012

RECOMMENDATION

It is recommended that the Environment and Sustainability Standing Committee recommend to Regional Council to endorse the Halifax Water ComFIT project proposal for a Biosolids/Biomass Facility and an inline turbine at the Orchard Control Chamber.

BACKGROUND

On June 7, 2012, Halifax Water updated the Environment and Sustainability Standing Committee on the status of two previously endorsed ComFIT wind energy projects. In addition, Halifax Water staff solicited endorsements for two future ComFIT proposed projects. One project would entail using biosolids and biomass in a co-generation facility. The other project would use inline water pipes to power a turbine.

The presentation can be viewed at:

<http://www.halifax.ca/boardscom/swrac/documents/RenewableEnergyPresentationtoESSCJune72012.pdf>

DISCUSSION

In order to qualify for eligibility for ComFIT, the municipality must endorse the project.

The inline turbine projects have no impact on the municipality's operations, budget, or planning activities.

The biosolids/biomass project may have an impact on the municipalities operations, planning, and budgeting related to solid waste. Specifically impacted may be the source separated organics solutions. Currently, regulations under the Environment Act biosolids are classified the same as source separated organics (both residential and ICI). As such, HRM staff retained the right to continue to be involved with the examination of any revisions to definitions or regulations. Currently, incineration of organics is not permitted. Staff will need to monitor provincial consideration of changes in definitions or regulations related to solid waste under the Environment Act and assess the implications or opportunities to the municipal solid waste strategy. If the Province separated biosolids from the organics definition, this impact would be moot.

BUDGET IMPLICATIONS

There are no impacts to the 2012/2013 Halifax Regional Municipality Operating or Project Budget.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

There are community engagement requirements under the ComFIT program, should Department of Energy endorse project development.

ENVIRONMENTAL IMPLICATIONS

These projects align with the Environmental Goals and Sustainable Prosperity Act and Provincial Renewable Energy Strategy.

ALTERNATIVES

The Committee may choose not to endorse these projects.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> 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.

Report Prepared by: Richard MacLellan, Manager, Energy and Environment, 490-6056

Original signed

Financial Approval by:

Greg Keefe, A/Director of Finance and Information, Communications & Technology/CFO
490-6308
