

COMMUNICATION 135155

Received From: Ross Rankin, Property and Project Manager
Addressed To: Committee of the Whole
Date: June 25, 2024
Topic: Energy Conservation Demand Management Plan

SUMMARY

With the repeal of the *Green Energy Act*, 2009, O.Reg. 397/11 (Energy Conservation and Demand Management Plans) was moved to the Electricity Act, 1998 and re-named as O. Reg 507/18 (Broader Public Sector: Energy Reporting and Conservation and Demand Management (CDM) Plans). No changes were made to the Regulation's provisions requiring broader public sector (BPS) organizations, such as municipalities, to develop a CDM plan and update it every five (5) years. This updated CDM plan was developed in compliance with the Regulation and covers the period from 2024 to 2029.

BACKGROUND

Municipal environmental, societal, and fiscal pressures accentuate the need for a Conservation Demand Management Plan (CDM).

Environmental

Canada's total greenhouse gas (GHG) emissions in 2022 were 16.5% above the 1990 emissions. Rising GHG emissions negatively impact the environment, economy and human health. Many people believe the derecho storm of May 2022 was caused by rising GHG emissions.

Societal

The 2003 electricity blackout heightened societal concerns surrounding the stability and security of our energy supply. If energy consumption is not managed appropriately, the frequency of energy interruption and the subsequent societal disruption that results will increase.

Fiscal

The fossil fuels traditionally used for the generation of energy are becoming no longer financially accessible or environmentally acceptable. These recent developments set the foundation for the initial development of the corporate Energy Conservation Demand Management (CDM) Plan in 2014 and its update in 2019.

COMMENT

The Town of Carleton Place's CDM is a strategic plan that aims to provide a basis for the Town to move forward on implementing improvements to its facilities and operations that reduce energy use, their associated costs as well as the environmental effects of the Town's activities.

The plan aims to give the Town a leading edge in energy while enhancing its economic vitality. Therefore, it goes beyond the short-term, “least financial cost” objective and considers the Town’s long-term economic, environmental and social well-being.

Energy management includes electricity, natural gas and water commodity management. The CDM describes the Town’s:

- New energy conservation goals and objectives;
- Current and proposed energy conservation measures;
- Results from the previous CDM plan; and
- Changes made from the previous plan to help achieve the new goals and objectives.

The updated CDM plan builds on the Town’s previous CDM plan developed in 2019, the experience gained in energy conservation over the last five (5) years and the Roadmap to Net Zero – GHG Reduction Feasibility Studies completed in 2023.

Using 2023 as a baseline, the Energy Conservation Demand Management Plan establishes the following five (5) year targets:

1. 10% overall reduction of electrical energy consumption
2. 5% overall reduction of natural gas energy consumption
3. Integrating the energy conservation demand management plan with the capital plan, tangible capital asset policy and any resiliency plans for the Water and Waste Water Treatment Plants.

In accordance with the Regulation, this plan was reviewed and approved by senior management.

FINANCIAL IMPLICATIONS

Section 6.0 of the Energy Conservation Demand Management Plan highlights planned energy efficiency upgrades for the various facilities owned by the Town. The estimated cost for projects is \$5,062,200.00 with many of the projects having a payback period of 10 years or less.

STAFF RECOMMENDATION

THAT Council receive the Energy Conservation Demand Management Plan as presented and outlined in the Property and Project Manager’s Report dated June 25, 2024.