



# **Peterborough Utilities Inc.**

## **Large Renewable Procurement Program**

### **Municipal Meeting**

### **Selwyn Township**

**Peterborough Utilities Buckhorn Hydro Project**

**Peterborough Utilities Lock 24 Hydro Project**

**Peterborough Utilities Solar 1 Project**

July 14th, 2015



# Presentation Overview

- Peterborough Utilities Inc. (PUI)
  - Who we are and what we do.
  
- Large Renewable Procurement (LRP) Program Update
  - Program Highlights
  - Mandatory & Optional Requirements
  - Application Milestones
  
- PUI Project
  - Peterborough Utilities Buckhorn Hydro Project
  - Peterborough Utilities Lock 24 Hydro
  - Peterborough Utilities Solar 1
  
- Upcoming request for Municipal Support Resolution
  
- Partnership Opportunity

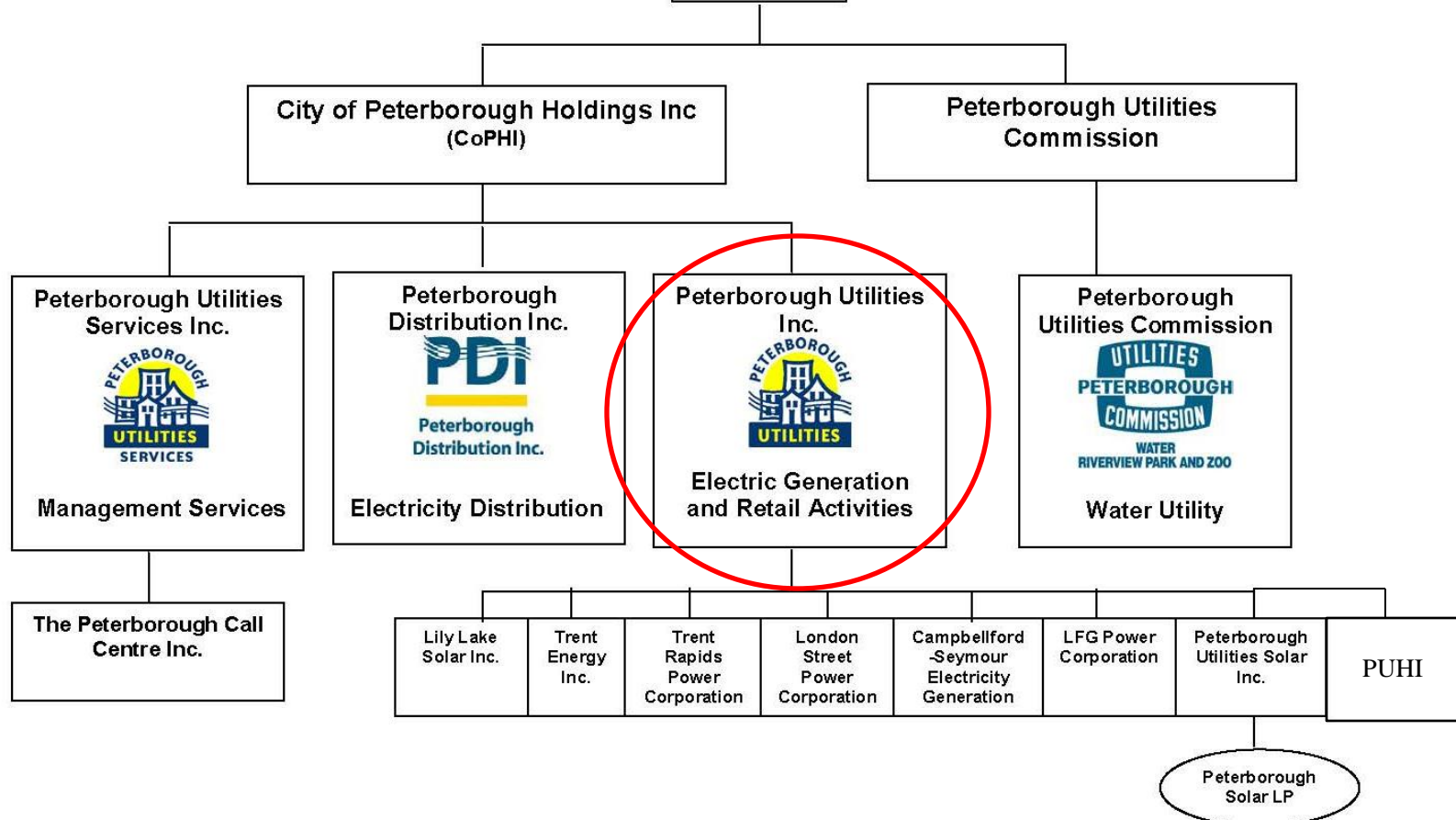
# Peterborough Utilities Group



Peterborough Utilities Group includes:

1. **Peterborough Utilities Commission** - Potable water treatment and distribution in Peterborough & Lakefield; Riverview Park & Zoo
2. **Peterborough Distribution Inc.** - Electric power distribution in Peterborough, Lakefield and Norwood
3. **Peterborough Utilities Services Inc.** - Employment and technology services for the Peterborough Utilities Group and City of Peterborough
4. **Peterborough Utilities Inc.** – Renewable power generation and retail services

# Peterborough Utilities Group



# LRP Program Update



## LRP Program Highlights

- A competitive process for procuring large renewable energy projects (>500kW).
- Defined procurement targets of **140 MW solar**, **75 MW waterpower**, 300 MW wind and 50 MW bioenergy.
- Two stage program:
  - Stage 1 – Request for Qualification (RFQ) – Complete
  - Stage 2 – Request for Proposals (RFP) – Sept. 1<sup>st</sup> 2015
- PUI has been qualified to develop up to **10 MW of new water power** and **10 MW of new solar power** generation capacity.

# LRP Program Update



## Mandatory Requirements

1. Project specific requirements (i.e. capacity, location, etc.)
2. Large renewable project website
3. Community Engagement
  - Community Engagement Plan – Provided to staff June 25, 2015
  - Community Meeting (local municipality)
  - Public Community Meeting (including Notices)
4. Site Considerations
  - Ground mount Solar projects can not be located on prime agricultural lands or specialty crop areas.

# LRP Program Update



## Mandatory Requirements

5. Grid Connection Information
6. Access Rights
  - Title, lease or option agreement for solar projects (duration of the LRP contract, irrevocable for 12 months).
  - Survey Permit for water power projects on federal property.
7. Renewable Fuel Availability
  - Professional Engineer validation
8. Tangible Net Worth
  - Applicable to equity providers that account for fifty percent (50%) of the total equity to verify financial capacity to build project.

# LRP Program Update



## Optional Requirements

1. Municipal Council Support Resolution
2. Municipal Agreement
  - Form of agreement is not prescribed
3. Adjacent Landowner Support Agreements
  - Minimum 75% support
4. Crown Land Leaseholder Support Agreements
  - Minimum 75% support
5. Aboriginal Community Partnership
  - Minimum 10% equity investment



# LRP Program Update



## Requirements Schedule

	June				July				August				September
	wk 1	wk 2	wk 3	wk 4	wk 1	wk 2	wk 3	wk 4	wk 1	wk 2	wk 3	wk 4	wk 1
Community Engagement Plans													
Websites Created													
Stakeholder Meetings													
Public Engagement Sessions													
Municipal Meetings													
Complete Consultation and Site Reports													
Municipal Agreement(s)													
Landowner Support Agreement(s)													
First Nation Partnership													
Proponent and Project Registration													
Municipal Support Resolution													
Prepare LRP IRFP Submission													
Submit Proposal to IESO													Sept 1

# Peterborough Utilities Buckhorn Hydro Project



## Proponent and the Large Renewable Project proposal

**Proponent:** Peterborough Utilities Inc.

**Qualified Applicant from the LRP Request for Qualifications stage associated with the proponent:** Peterborough Utilities Inc.

**Name of the Large Renewable Project proposal:**

Peterborough Utilities Buckhorn Hydro

**Renewable fuel of the Large Renewable Project:**

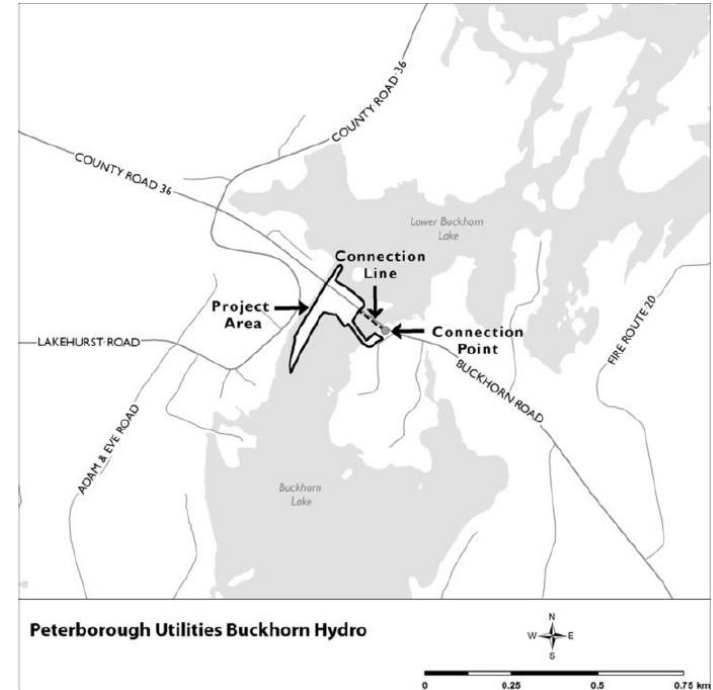
Waterpower

**Proposed capacity of the Large Renewable Project (MW):**

1.5 – 2.5 MW

**Proposed connection point of the Large Renewable Project:**

Hydro One M27 Otonabee DESN2 TS Circuit at Buckhorn Road



# Peterborough Utilities Lock 24 Hydro Project



## Proponent and the Large Renewable Project proposal

**Proponent:** Peterborough Utilities Inc.

**Qualified Applicant from the LRP Request for Qualifications stage associated with the proponent:**

Peterborough Utilities Inc.

**Name of the Large Renewable Project proposal:**

Peterborough Utilities Lock 24 Hydro

**Renewable fuel of the Large Renewable Project:**

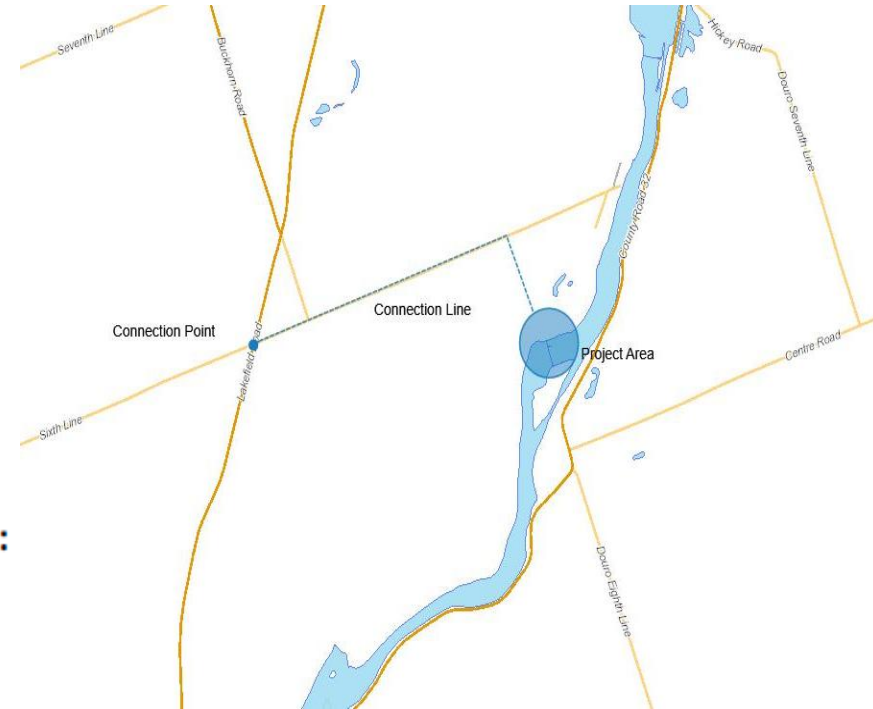
Waterpower

**Proposed capacity of the Large Renewable Project (MW):**

2-4 MW

**Proposed connection point of the Large Renewable**

**Project:** Hydro One M27 Otonabee DESN2 TS Circuit at Lakefield Road



# Peterborough Utilities Solar 1 Project



## Proponent and the Large Renewable Project proposal

**Proponent:** Peterborough Utilities Inc.

**Qualified Applicant from the LRP Request for Qualifications stage associated with the proponent:**

Peterborough Utilities Inc.

**Name of the Large Renewable Project proposal:**

Peterborough Utilities Solar 1

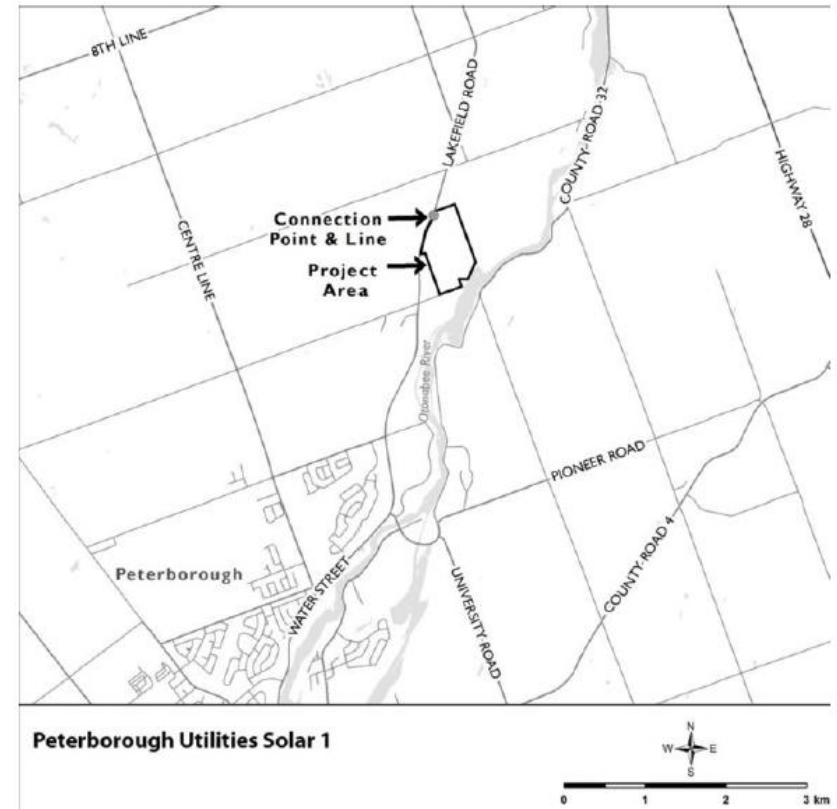
**Renewable fuel of the Large Renewable Project:** Non-Rooftop Solar (Ground mount solar)

**Proposed capacity of the Large Renewable Project (MW):**

5.0 – 9.8 MW

**Proposed connection point of the Large Renewable Project:**

Hydro One M27 Otonabee DESN2 TS Circuit on Lakefield Road



# Community Benefits



1. Local renewable energy generation
  - Clean, secure, reliable
2. Local job creation
  - Significant short-term construction employment
  - Typically one full-time operations position per project
3. Local Service Contracts
  - Construction services (consultants, contractors, equipment, materials, etc.)
  - O&M services (i.e. snow removal, maintenance, equipment, etc.)
4. Municipal Revenues
  - Solar Projects – change of property zoning to industrial increases property taxes approximately tenfold
  - Hydro Projects – 2.5% gross revenue charge (GRC) defined per provincial legislation

# Partnership Opportunities



## 1. Municipal Agreement

- Form of agreement not specified in the LRP Rules.
- May include commitments by the Proponent (PUI).
- May include benefits to be provided by the Proponent (PUI).
- To be provided to Trent Lakes for review and approval.

## 2. Option Agreement

- Option for Trent Lakes to invest 10% in PUI's Projects.
- No firm commitment by Trent Lakes to invest at this time.

# Partnership Opportunities: Benefits



- Opportunity to support local renewable energy development under terms and conditions that can be supported by Selwyn Township (Municipal Agreement).
- Opportunity for Selwyn Township to invest in renewable energy.
- Target minimum internal rate of return of 12%.
- 10% investment would entail an equity investment in the range of \$375k to \$600k per project.
- Actual payment of Selwyn equity contribution for any partnership project would not be required until construction proceeds:
  - Hydro (3 to 5 years from contract award - 2019 to 2021)
  - Solar (2 to 3 years from contract award - 2018 to 2019)



# Next Steps

- Trent Lakes to review and discuss partnership options.
- PUI staff to propose draft form of Agreement(s).
- Municipal Support Resolution Request - August 11<sup>th</sup> Council Meeting
  - Peterborough Utilities Buckhorn Hydro Project.
  - Peterborough Utilities Lock 24 Hydro Project.
  - Peterborough Utilities Solar 1 Project
- Finalize Partnership Agreement(s).
- Prepare and submit LRP RFP applications for Sept 1<sup>st</sup>, 2015 deadline.

Are there any items that PUI need to address to allow council to issue project specific support resolution?



# Questions & Discussion



# Why Peterborough Utilities ?



- Customer Satisfaction - More than 90 year history satisfying customer expectations in the areas of electricity distribution and water distribution.
- Professional/Successful - One of the most successful municipally-owned generation companies in Ontario (30 MW operating, 20 MW contracted & under development, ~50 MW growth in seven years).
- Local Operations - currently 9 full time staff on call 24 x 7 with back-up monitoring available 24 x 7 at our Water Treatment Plant.
- Reliability/Trust – committed to project through its lifecycle: development, construction, operations, maintenance and decommissioning.
- Safety - One of Canada's Safest Employers in the Utilities Sector (gold or silver award winner for the past three years)

# PUI Generation Portfolio



## PUI Generation Facilities

### Commissioned

1. London Street Generating Station (4 MW hydroelectric)
2. Campbellford Generating Station (6 MW hydroelectric)
3. Robert G. Lake G.S. (8 MW hydroelectric)
4. Stanley Adamson Generating Station (4 MW hydroelectric)
5. Lily Lake Solar Farm (10 MW solar PV)
6. LFG Generation Facility (1.6 MW biogas)

### Underway

1. Peterborough Waste Water Treatment Plant Generation Facility (500 kW biogas) – 2015/2016
2. Expansion of the London Street Generating Station (6 MW) – 2015/2016
3. Rooftop & Ground Mount Solar Projects (~13 MW) – 2015-2017