



STAFF REPORT

Title: MCCAC Municipal Energy Manager Program

Meeting Date: June 25, 2019

Executive Summary:

The MD of Bonnyville has invited the City of Cold Lake to consider a joint application, along with the Village of Glendon, to the Municipal Climate Change Action Centre (MCCAC) Municipal Energy Manager Program.

This program provides an 80-20 grant for the partners to hire a municipal energy manager (MEM), with up to a maximum of \$80,000/year in grant funding over two years. The program is open to municipalities with populations of 150,000 or less.

The goal is to assist municipalities in becoming more energy efficient and to reduce greenhouse gas emissions in their facilities and fleet through the MEM's mandate. The total cost of an MEM is estimated at about \$100,000 per year.

Administration worked with the MD of Bonnyville to be included in an expression of interest for the grant so as to help their application maintain a forward position in the first-come-first-served program. Proceeding further with the application would require a positive motion from council.

Both the MD of Bonnyville and the Village of Glendon have passed motions to proceed beyond the expression of interest stage. The Town of Bonnyville was approached to join the submission but indicated that it was unable to participate at this time.

Background:

The MCCAC's MEM program is intended to assist by having an energy manager find energy savings across municipalities' facilities and fleets. Successful applicants will have the established positions reviewed after approximately six months. If the position is in line with the program, funding will be extended for a second and final year.

The position cannot be filled by a contractor, and must be employed by a lead municipality, in the case of a joint application. The MD of Bonnyville has signaled that it is willing to take on this role. Smaller rural and urban municipalities are encouraged to partner in the program.



MD of Bonnyville administration is working to confirm that the program will be satisfied with a one or two-year term position.

There is funding in place for a total of 24 positions across the province.

Included in the year-one deliverables under the program are the requirements for the MEM to:

- Submit a work plan
- Evaluate the current state of energy practices and policies within the municipality
- Develop or refresh an energy management plan spanning at least 3-years
- Present the work plan and energy management plan to municipal staff and elected officials.
- Complete or initiate GHG emission reducing activities resulting in a 5% reduction in emissions, or another target based on the energy management plan's scope.
- Complete an energy audit of the highest energy-consuming municipal building, or the building with the most potential for a reduction as defined in the energy management plan, using either third part resources or internal resources.

A cursory estimate of the number of facilities that would be covered by the program showed approximately 83 facilities between the three municipalities, with about 30 being in Cold Lake, 46 in the Municipal District of Bonnyville and 8 in the Village of Glendon.

In the past, Council has expressed concern with operational grants that may create an expectation of an ongoing, permanent position. Also, it should be noted that the details of the cost sharing in the partnership are required to be worked out between the partners.

There is also the possibility that:

- 1) Partnering municipalities may approve the hiring of a position at a rate which would require "top up" above the 80-20 cost-sharing the program allows.
- 2) The position could require budget above and beyond the salary – ie. In the deliverables it is noted that using a third party contractor to perform duties such as energy audits is acceptable under the program.

Administration is therefore recommending that, should council pass a motion to proceed with the application, the motion clearly indicate the time frame the position will be supported for (ie. two years) and the maximum exposure that council is prepared to commit.

For the sake of discussion, if council wanted to maximize the grant dollars while not requiring further top up, a total \$40,000 municipal contribution would be required. The



MD of Bonnyville is proposing a split between the proposed partners on a per capita basis would amount to:

MD of Bonnyville (11,661) 43% = \$17,200
City of Cold Lake (14,961) 55% = \$22,000
Village of Glendon (493) 2% = \$800

The above noted will have to be included in the City's 2020 Budget as committed funds.

Alternatives:

- Council may respectfully decline to participate in the Municipal Climate Change Action Centre's (MCCAC) Municipal Energy Manager Program at this time.
- Council may pass a motion to submit a joint application to the Municipal Climate Change Action Centre's (MCCAC) Municipal Energy Manager Program with the Municipal District of Bonnyville and the Village of Glendon.
- Council may pass a motion to submit a joint application to the Municipal Climate Change Action Centre's (MCCAC) Municipal Energy Manager Program with the Municipal District of Bonnyville and the Village of Glendon, committing up to \$_____ in funding for a total of two (2) years.

Recommended Action:

Administration recommends that Council pass a motion to submit a joint application to the Municipal Climate Change Action Centre's (MCCAC) Municipal Energy Manager Program with the Municipal District of Bonnyville and the Village of Glendon, committing up to \$22,000 in funding for a total of two (2) years.

Budget Implications (Yes or No):

Yes. 20% of the MEM salary to be shared on a pro-rated basis, with the detailed split to be confirmed.

Submitted by:

Kevin Nagoya, Chief Administrative Officer