



INFORMATION REPORT

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	May 22, 2014
SUBJECT/REPORT NO:	2013 Annual Energy Report (PW14049) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Tom Chessman, Manager, Office of Energy Initiatives (905) 546-2424, Extension 2494 Frank Gazzola, Superintendent, Office of Energy Initiatives (905) 546-2424, Extension 5356
SUBMITTED BY:	Gerry Davis, CMA General Manager Public Works Department
SIGNATURE:	

Council Direction:

As part of the City's Corporate Energy Policy (PW07127) staff are directed to provide an annual energy report highlighting the progress and results of various City energy initiatives.

Information:

The City of Hamilton's Corporate Energy Report, attached as Appendix "A", provides a summary of energy usage and cost savings initiatives for the calendar year 2013. The report also highlights the cumulative savings achieved from May 2006 to year-end 2013. Savings of \$5.2 million was achieved for the calendar year 2013. This takes the City's total cumulative avoided costs, energy efficiency savings and incentives to over \$32 million dollars since 2006.

The most significant key performance indicator in the City's Corporate Energy Policy is the 20% reduction target in energy intensity by 2020. Energy intensity is measured against the base year of 2005. As of year-end 2013, the City's building portfolio has achieved its goal of 20% reduction in energy intensity. This has been achieved through many efforts that include a focus on life cycle analysis, monitoring energy costs and rate options, leverage of incentives and adopting solid business cases brought forward and approved by Council.

Historical energy savings are tracked for both Levy (tax base) Rate (water rates) savings. Furthermore, savings are tracked as direct cost savings and avoided costs. An example of avoid costs would be the dollar amount the City would have incurred had

steps not been taking to reduce energy usage or by negotiating better energy supply pricing.

The savings are indicated in the table below.

Savings / Avoided Costs	Levy Benefits (Tax Base)	Rate Benefits (Water Rates)	Corporate Total (\$)
Avoided Costs:	\$16,056,000	\$7,617,000	\$23,673,000
Direct Savings:	\$8,030,000	\$1,175,000	\$9,205,000
Total Cost Reduction & Savings:	\$24,086,000	\$8,792,000	\$32,878,000

A new Corporate Energy Policy will be presented under a separate report which will outline the new recommended targets for energy intensity moving forward. These new energy intensity targets will play a key role in meeting the City's already approved Greenhouse Gas reduction targets of 80% by 2050.

The City of Hamilton's commitment to energy conservation and environmental sustainability plays an important role in supporting the City's Strategic Plan by contributing to a prosperous and healthy community, providing valued and sustainable services and demonstrating innovation and leadership. Ongoing success of the energy program requires engagement of all Five Pillars of Our Culture - Collective Ownership; Steadfast Integrity; Sensational Service; Engaged, Empowered Employees and Courageous Change.

Once it has been received by Council, the annual energy report will be posted on the City's website at www.hamilton.ca/energy.