INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	June 6, 2016
SUBJECT/REPORT NO:	2015 Annual Energy Report on Commodity Price Hedging (FCS16025) (PW16016)(City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	John Savoia, Senior Policy Advisor Corporate Services Department (905) 546-2424 Ext. 7298 Tom Chessman, Manager, Office of Energy Initiatives Public Works Department (905) 546-2424 Ext. 2494 Linda Campbell, Superintendent, Utilities Public Works Department (905) 546-2424 Ext. 2810
SUBMITTED BY: **SIGNATURE:**	Mike Zegarac General Manager Finance and Corporate Services Department Geoff Lupton Director, Energy, Fleet and Traffic Public Works Department

Council Direction

The City's Corporate Energy Policy stipulates the General Manager of Finance and Corporate Services, reports to Council at least once each fiscal year with respect to any Energy Commodity agreements. In May 2014, Council approved a revision to the City's Corporate Energy Policy (PW14050) which now incorporates the City's previously separate Energy Commodity Policy into one comprehensive policy.

Information

The City of Hamilton's 2015 Annual Energy Report on Commodity Price Hedging deals exclusively with the City's energy commodity price hedging agreements and utility rate transactions for natural gas, electricity and fuel.
As defined in the Corporate Energy Policy, "Energy Commodities" means electricity, green power, natural gas, methane and all other petroleum based fuel products such as: diesel, bio-diesel, gasoline, fuel oil, propane and any other bulk commodity primarily used by the City for the purpose of heating and cooling of buildings and other structures, electricity generation, cogeneration demand response programs, smart grid programs and the fuelling of City fleets, as determined by the Manager of Energy Initiatives. The Corporate Energy Policy also expressly contemplates that "green power" includes the selling of environmental attributes.

Policy Statement

The City will procure the necessary quality and quantity of Energy Commodities in an efficient, timely and cost-effective manner, while maintaining the controls necessary for a public institution in accordance with this Corporate Energy Policy. The City will encourage the negotiation of fair Master Agreements, and agreements with Contract Agents, with respect to the purchase, sale, delivery and storage of Energy Commodities. The City will strive to ensure that the best value is obtained and that the financial stability of Energy Commodity suppliers meets high thresholds to ensure sustainability and reliability of supply.

The City will consider commodity price hedging agreements as a means of fixing, directly or indirectly, or enabling the City to fix the price or range of prices to be paid by the City for the future delivery of some or all of a specific Energy Commodity, or the future cost to the municipality of an equivalent quantity of the Energy Commodity, where it is advantageous for the City to do so.

The City will also consider opportunities for entering into agreements with utilities and other transportation and delivery supplier contracts (e.g. pipeline supply) to secure commodity supply and utility rates of specific Energy Commodities.

Energy Commodity and Avoided Costs

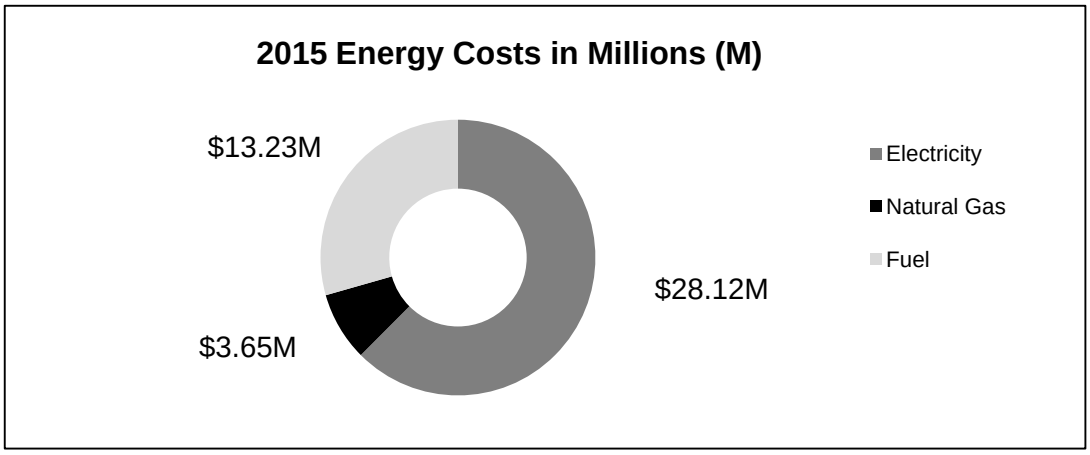
The energy commodity and utility savings and avoided costs for the 2015 calendar year and the cumulative total(s) from June 2006 to year end 2015 are outlined in Table 1 below:

Table 1: Energy Commodity and Utility Savings/Avoided Costs

Commodity	Savings/ Avoided Costs 2015 in Millions (M)	2015 Levy %	2015 Rate %	Cumulative Savings/ Avoided Costs in Millions (M)	Cumulative Levy %	Cumulative Rate %
Electricity	$3.91M	25%	75%	$17.19M	31%	69%
Natural Gas	$0.41M	86%	14%	$6.19M	85%	15%
Fuel	$0M	0%	0%	$0.28M	100%	0%
Totals	$4.32M			$23.66M		

In the City's, 2015 Annual Energy Report (PW16032) the total actual energy costs were reported at approximately $45 million (excluding water utilities) with the following breakdown as shown in Graph 1, below:

Graph 1: Total Energy Costs (Electricity, Natural Gas & Fuel)

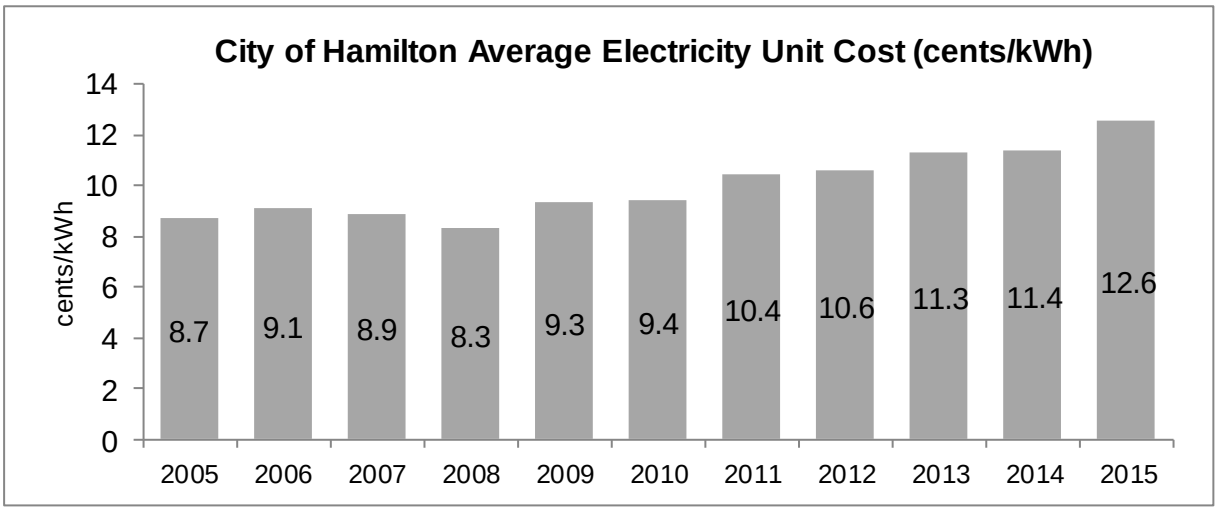


These energy costs include all City-owned facilities, Hamilton Water, Public Works Operations and Street and Traffic Lighting (they exclude City Housing Hamilton). The fuel information reported includes all Fleet, Operations and Transit vehicles but does not include Hamilton Police Services, Metrolinx/GO Transit or DARTS. Fuel costs include: diesel, unleaded gasoline and compressed natural gas (CNG).

Electricity

The overall average price for electricity per kilowatt-hour (kWh) increased from 11.4 cents/kWh in 2014 to 12.6 cents/kWh in 2015. The average price (cents/kWh) for electricity, year over year, from 2005 to 2015 is outlined in Graph 2 below:

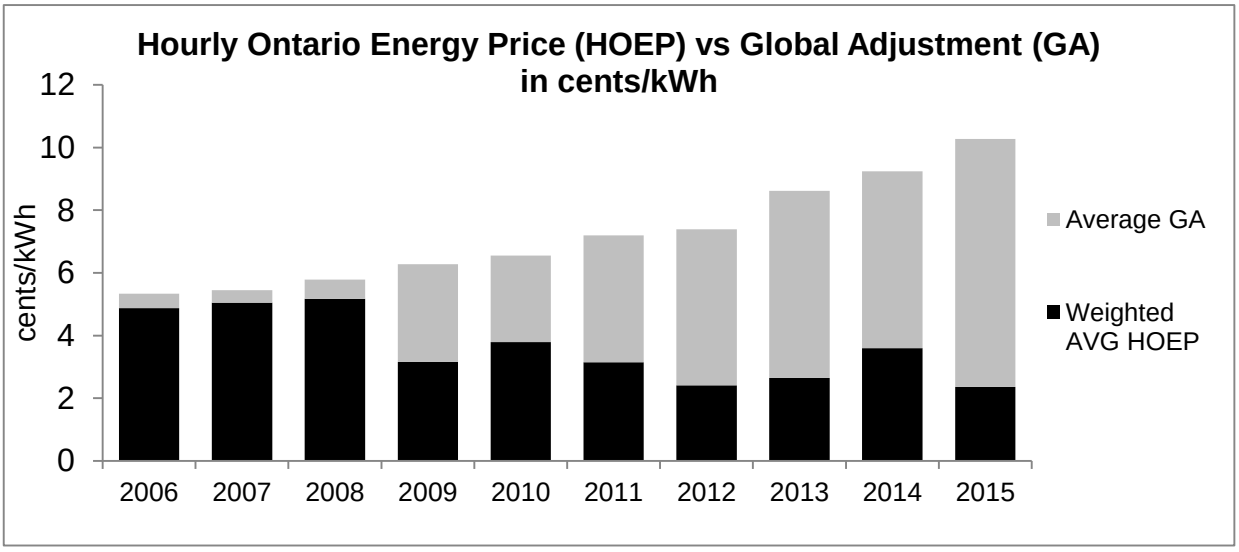
Graph 2: City of Hamilton Average Electricity Cost



In 2015, the City's overall expenditure for electricity was $28.1 million. This includes commodity costs and all regulated charges for transmission, delivery and debt retirement. Electricity commodity costs consist of the Hourly Ontario Electricity Price (HOEP) and Global Adjustment (GA). Overall, electricity costs in 2015 increased by approximately $1.68 million verses 2014. This represents a year over year increase of 6% over 2014 electricity costs. However there was a decrease of about 3% overall electrical consumption in 2015 compared to 2014.

While it is possible to hedge the commodity portion of electricity, the only portion that can be hedged is the Hourly Ontario Energy Price (HOEP). Staff recommendations have been to not hedge against the HOEP due to unfavourable market conditions. Over recent years the HOEP portion of the of electricity commodity costs has continued to decrease. The majority of Ontario's electricity commodity market is now represented by the Global Adjustment, which cannot be hedged against. While the HOEP has declined over recent years this has been offset by significant increases to the price of the Global Adjustment, as illustrated below in Graph 3.

Graph 3: Electricity - Annual Average Prices of HOEP and Global Adjustment



The annual average spot price or Hourly Ontario Energy Price (HOEP) was 2.4 cents/kWh in 2015, which was a 34% decrease versus 2014. The HOEP decreased in 2015, was offset by significant increases in the Global Adjustment (GA) rates. The average GA price in 2015 was 7.9 cents/kWh. This represents about a 40% increase verses 2014. The overall combined commodity price for electricity amounted to an 11% increase in 2015 when compared to 2014.

Global Adjustment

The Global Adjustment (GA) is a market mechanism to account for differences between the market price and the rates paid to regulated and contracted generators, and for conservation and demand management programs. Some of the GA costs arise from contracts that IESO (Independent Electricity System Operator) has with generators, many of which are fixed price or guaranteed revenue agreements. There is no market mechanism to hedge against the GA rate.

When spot prices (HOEP) are lower, the generator does not earn enough revenue from power sales to meet its revenue guarantees. In that case, the IESO pays the generator to make up this difference, and the costs are recovered from consumers through the GA. Therefore, in a month when the market price of electricity is low, the GA will be higher and conversely when market prices are high, the GA will be lower.

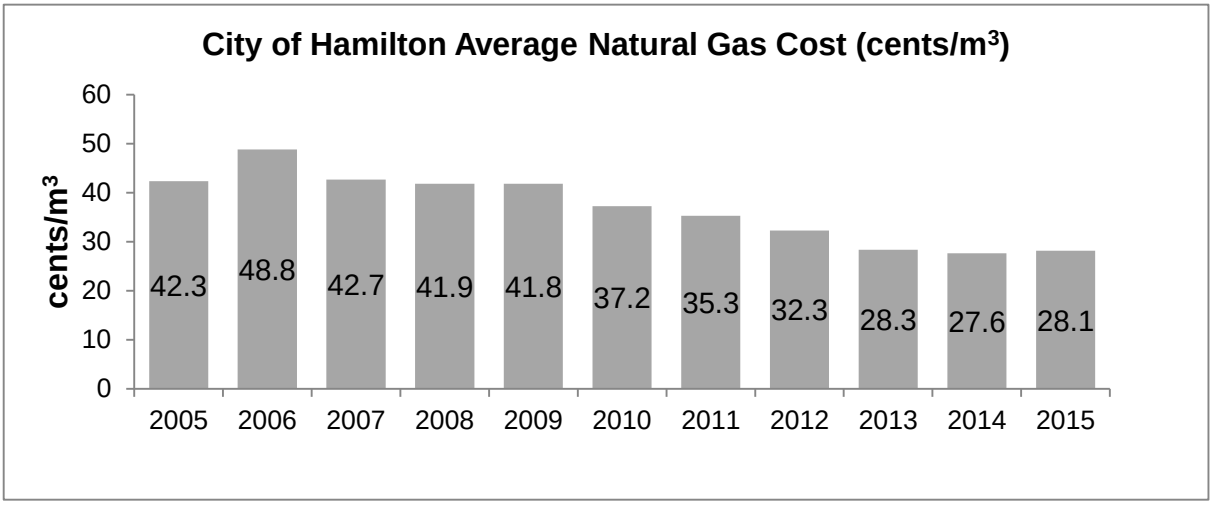
The City has had success with moving some of its large user accounts from a general service Class B to a Class A rate. The sites at 900 Woodward Avenue (Hamilton Water), the Municipal Recycling Facility, FirstOntario Centre, Central Utilities Plant (CUP), and the Hamilton Water pump station at Greenhill Avenue were able to convert to Class A rate. The rate class change has resulted in an avoided cost of $3.9 million in 2015 in GA charges, and a cumulative avoided cost of $11.4 million since 2011.

Natural Gas

In an effort to maintain control of costs and minimize the degree of price volatility, the City has purchased its natural gas directly from the wholesale market (since June 2006). The City established a strategy to procure natural gas more effectively than either purchasing from the utility (system gas) or purchasing as part of the Association of Municipalities of Ontario – Local Authority Service (AMO/LAS) program. Since that time, the City has purchased its natural gas commodity from wholesale suppliers, which offer a variety of hedging products.

The City's overall expenditure for 2015 natural gas including the commodity costs and utility charges for delivery, transportation and storage was $3.65 million. This is a decrease of 7% from 2014 costs as reported in the 2015 Annual Energy Report (PW16032). There was a decrease of 8% in overall natural gas consumption compared to 2014 numbers. The overall average unit price was $0.281 per cubic metre ($m^3$), which was a 2% increase over 2014. The average price for natural gas, year over year, from 2005 to 2015 is outlined in Graph 4, below:

Graph 4: City of Hamilton Average Natural Gas Cost



The price of gas purchased under commodity contracts in 2015 averaged 16 cents/m^3. Typically, the City purchases approximately 70 to 80% of its natural gas supply requirements on a forward basis when market conditions are deemed favourable. A portion of natural gas supply is purchased as much as 2 years in advance to protect against market volatility while other portions are purchased just a month or two in advance. Fixing the price on a portion of the City's natural gas volumes has allowed for better budget predictability and protection against high priced spot market fluctuations. Overall the procurement strategy is dynamic as Staff, in conjunction with industry experts and the retained consultancy firm make purchasing decisions based on market conditions.

The ability to buy for forward terms allows the City to partially control natural gas prices for current and upcoming years. The forecasted budget for 2016 is expected to remain at a zero increase as compared to 2015. The price on the Union Gas bills will remain at $0.185 per m^3 for commodity and transportation, with an average of $0.28/$m^3$ all in.
In 2015, the City had master agreements for natural gas supply in place with Shell Energy North America (Canada) Inc. and EDF Trading North America, LLC. All current supply counterparties have credit ratings of a level or above that is compliant with the Corporate Energy Policy. As in the past, in order to strengthen our purchasing position the City will be reviewing additional supplier agreements in an on-going effort to diversify City purchasing options.

Natural Gas – Transportation, Storage and Delivery

The City has several contracts in place that are required to facilitate the transportation, delivery and storage of the City's natural gas supply. Those agreements include:

- EDF Trading North America, LLC;
- Shell Energy North America (Canada) Inc. – natural gas;
- TransCanada Pipe Line;
- Alliance Pipeline;
- Vector Pipeline; and,
- Union Gas (including a M13 rate for Biogas).

Direct Purchase Agreements (DPA) with Union Gas

The City has DPA's in place with Union Gas Limited. These agreements outline the terms of delivery of natural gas, contract volumes and storage within the Union Gas franchise area. The parameters are shown below in gigajoules (GJ) which is the unit in which gas is purchased to meet the requirements. Prices and consumption data on Union Gas bills are reported in cubic metres (1 GJ = ~26.4 cubic metres). In 2015 the agreements and parameters were:

- SA9369 for 161 GJ/day – 33 miscellaneous City natural gas accounts which run from February 1 to January 31 each year;
- SA7020 for 1,089 GJ/day – 200 miscellaneous City natural gas accounts which runs from November 1 to October 31 each year.
- SA9367 for 129 GJ/day – For Transit's compressed natural gas (CNG) bus fleet and Transit site which ran from February 1 to August 31, 2015. The contract was terminated and volume was transferred to the new T1 contract (see below).
- T1 for 220 GJ/day - For Transit's CNG bus fleet and transit site which started in September with the completion of the new CNG station. The contract runs September 1 to August 31 each year.

Each DPA has specific delivery requirements, at different points along the variety of pipelines within North America and are reviewed and renewed annually.

Natural Gas Risk Management

Overall the cost per GJ for natural gas commodity was a decrease from 2014. A cold start to 2015 resulted in additional purchases required to meet contract requirements and Union Gas balancing checkpoints. However, consumption was down compared to 2014, largely due to the construction of the new CNG station, which had the natural gas bus fleet consuming little during July and August.

The annual volumes of natural gas purchased using hedging strategies (long term and short term) and the corresponding unit cost are summarized in Table 2, below. This is for commodity only, and does not include additional utility costs such as delivery and storage.

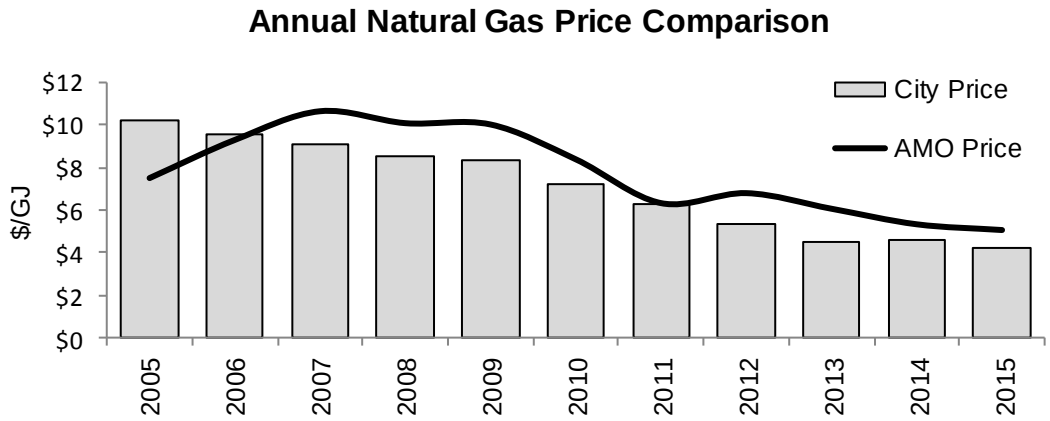
Table 2: Natural Gas Commodity Summary of Annual Purchases and Average Price (City Wide)

Year	Annual GJ's Purchased	Average Price $/GJ	Average Price $/$m^3$
2006	627,290	$9.59	$0.369
2007	624,415	$9.09	$0.350
2008	631,394	$8.50	$0.327
2009	652,391	$8.30	$0.319
2010	531,895	$7.19	$0.277
2011	615,312	$6.33	$0.244
2012	505,397	$5.39	$0.208
2013	454,339	$4.46	$0.172
2014	516,614	$4.56	$0.175
2015	550,112	$4.25	$0.164

Note: GJ's purchased are not equal to GJ's consumed. Purchases are made to meet contractual obligations. Average price is for commodity only and does not include utility-based costs. Purchases here are for all DPAs.

The City monitors the procurement program managed by the Association of Municipalities of Ontario/Local Authority Services (AMO/LAS) Natural Gas Program to compare the results of the City's own natural gas hedging strategies to their price offerings. Since Hamilton's volumes allow for direct purchases with wholesale suppliers the City can manage its own program. Smaller municipalities may not have the volume or expertise to manage their own programs; therefore, they benefit from and highly value the AMO/LAS program and its consolidated volumes and centralized purchasing programs in Graph 5, below.

Graph 5: Price Comparison of City Program to AMO Natural Gas Program



The savings for year 2015 and the accumulated savings for the period of 2006 to 2015 are noted in Table 3, below.

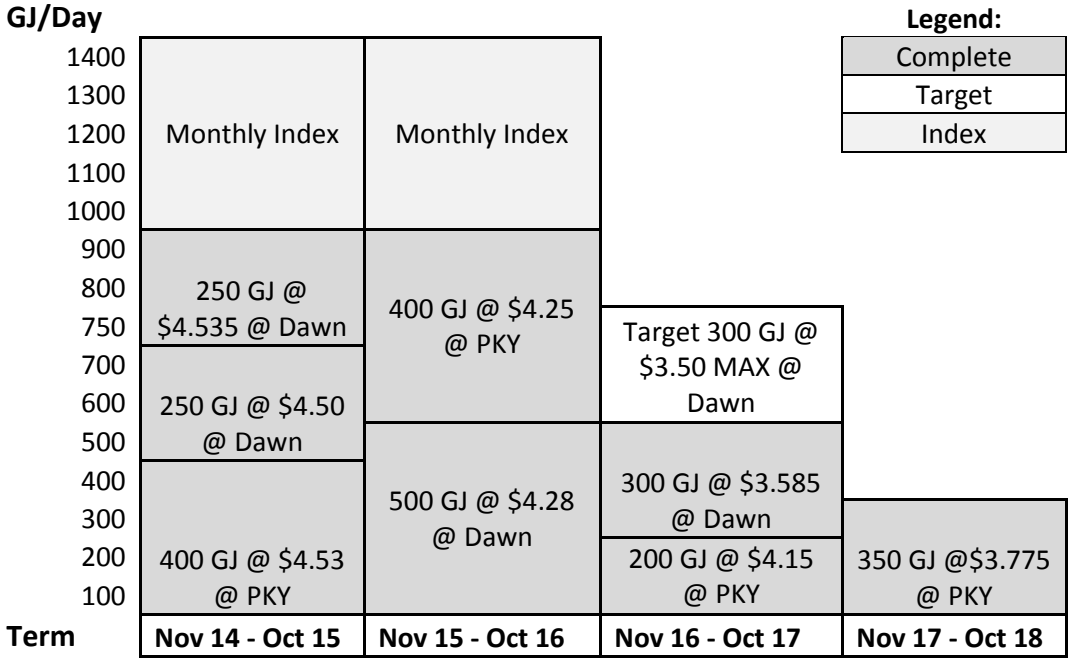
Table 3: Performance of Natural Gas Hedge Activity

Natural Gas	2015 Savings	Accumulated Savings
Levy (Tax) Budget	$352,603	$5,247,953
Rate Budget	$59,040	$942,551
Total Savings:	$411,642	$6,190,504

City's Performance Relative to AMO/LAS Natural Gas Hedging Program

Based on the City's current delivery requirements, approximately 65% of its natural gas supply is hedged up until the end of October 2016. A further 35% is hedged for the period starting November 1, 2016. Graph 6 provides a profile of the completed hedges and outstanding targets. Staff monitor the market, and continue to develop strategies for purchasing into the forward terms to further capture agreeable market opportunities.

Graph 6: City of Hamilton Natural Gas Hedge Profile



Notes:

- GJ = gigajoule per day
- PKY = Parkway
- Dawn and Parkway are distribution delivery points

Natural Gas Market

Natural gas prices spent most of 2015 on a downward trend. Although the first quarter of 2015 was cold, the rest of year was typically mild with little extreme weather. Coupled with strong production, this allowed for a quicker re-build of North American storage volumes throughout the summer as natural gas was not needed as frequently to produce electricity for cooling. At the start of the heating season, the storage position was at an all-time high. These factors have kept a downward pressure on prices, leading to lower near and long term forward price offerings. The lower value of the Canadian dollar has lessened the impact of these lower prices to some degree, but has still maintained a downward trend that continues into 2016. Relatively stable production and the expected refill of storage should keep prices relatively low. However, unexpected weather events, changes to production, and/or a decrease to the value of the Canadian dollar could cause prices to rise in the short and long terms.

Biogas Purification Unit (BPU)

The City has contracted with Union Gas Ltd. for gas produced at Hamilton Water's Biogas Purification Unit (BPU) to purify and subsequently deliver Renewable Natural Gas to Union Gas. The BPU converts methane into pipeline-quality natural gas in

accordance with specifications outlined in the M13 agreement between the City and Union Gas. The Renewable Natural Gas produced is used by the City as part of the City wide delivery requirements or is sold at spot market rates. In 2015, the BPU produced approximately 15,600 GJs of natural gas, which the City used as part of the Dawn delivery requirements to fuel City sites and Transit's Compressed Natural Gas (CNG) buses.

Compressed Natural Gas (CNG)

Natural Gas is purchased for the City's facilities, but also for the growing Transit fleet of natural gas-fuelled buses. In partnership with Union Gas, the City completed a new CNG station at the Mountain Transit Centre to service the fleet of existing and new natural gas buses. In 2015, the total cost of natural gas for the buses was approximately $326,000.

The CNG station operates under a natural gas storage contract (T1) as of September 1, 2015. The T1 contract is a daily-balanced contract with storage availability. The amount of storage volume is contracted annually, and for the 2015 contract term (September 2015 to August 2016), the T1 was allotted 5815 GJs of storage. The difference between the daily volumes purchased and consumed are injected or withdrawn from the storage account. The contract allows for greater flexibility in managing the supply, but must be reviewed daily to adhere to specific storage parameters. The injections and withdrawals and resulting storage balance for the period September 1, 2015 to December 31, 2015 is shown in Table 4, below.

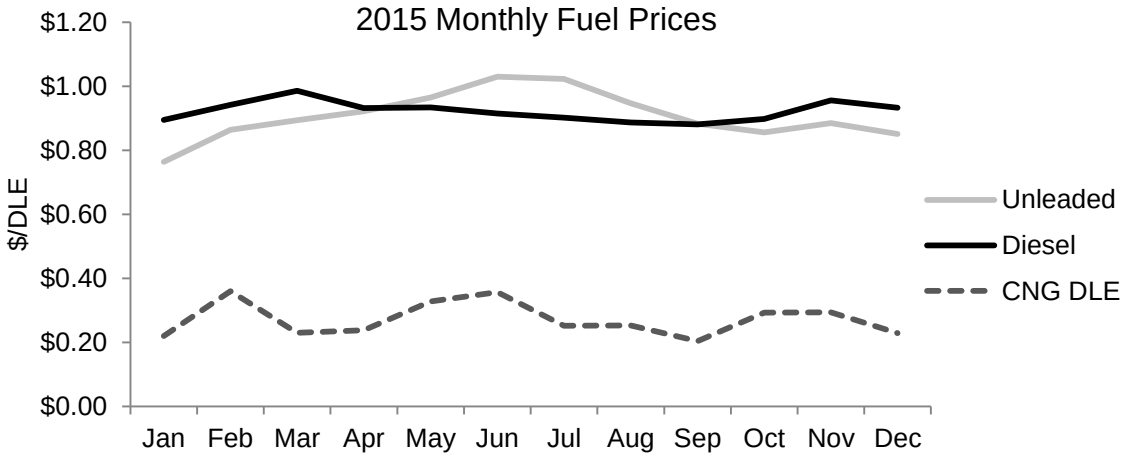
Table 4: Monthly T1 Storage Balance for 2015

Month	Starting Balance (GJ)	Supply Volumes (Purchased) (GJ)	Consumption Volumes (GJ)	Month End Storage Balance (GJ)	% Storage Position (Amount Full)
Sep-15	2,538	6,610	5,963	611	11%
Oct-15	611	8,610	6,955	2,235	38%
Nov-15	2,235	7,505	6,271	3,442	59%
Dec-15	3,442	6,620	7,406	2,625	45%

The starting balance was carry-over from previous contract for Transit which ended August 31, 2015.

The Transit fleet is expected to increase by adding 80 to 100 CNG buses over the next three years as a replacement for diesel-fuelled buses. Natural Gas has a lower cost compared to Diesel. Graph 7, below, shows the City's monthly fuel prices including the CNG price (converted to diesel equivalent (DLE)).

Graph 7: 2015 Monthly Fuel Prices for Diesel, Unleaded Gasoline and CNG



Traditional Fuel Supply

The City of Hamilton purchases diesel and gasoline fuel for its fleet of vehicles such as buses, waste collection, snow removal trucks, street sweepers, forestry and parks vehicles, as well as Fire and Hamilton Paramedic Services vehicles. In addition, the City purchases fuel for some external groups including Metrolinx/GO Transit, Horizon Utilities, DARTS and Hamilton Police Services.

Currently, the City's fuel procurement strategy involves contractual bulk supply agreements with two suppliers: Suncor Energy Products Partnership, and Shell Canada Products, with the total volumes and dollars for 2015 split approximately 75% - 25% respectively. The fuel contracts are reviewed annually, and based on pricing, deliverability and fuel types, the split between suppliers can be adjusted accordingly.

The pricing arrangement with both suppliers is based on the daily "Rack" price of each required fuel type (diesel and gasoline) from a designated source terminal, with negotiated discounts, delivery charges and taxes. Paying daily rack pricing for fuel assures customers are getting the lowest available price on the market for that day. All current supply counterparties have credit ratings that are compliant with the Corporate Energy Policy.

Fuel purchases, as reported in the 2015 Annual Energy Report (PW16032) exclude GO Transit, DARTS and Hamilton Police Services. City departments used approximately 12 million litres of diesel, a less than 1% reduction from 2014, and approximately 2 million litres of gasoline, an increase of 4% over 2014.

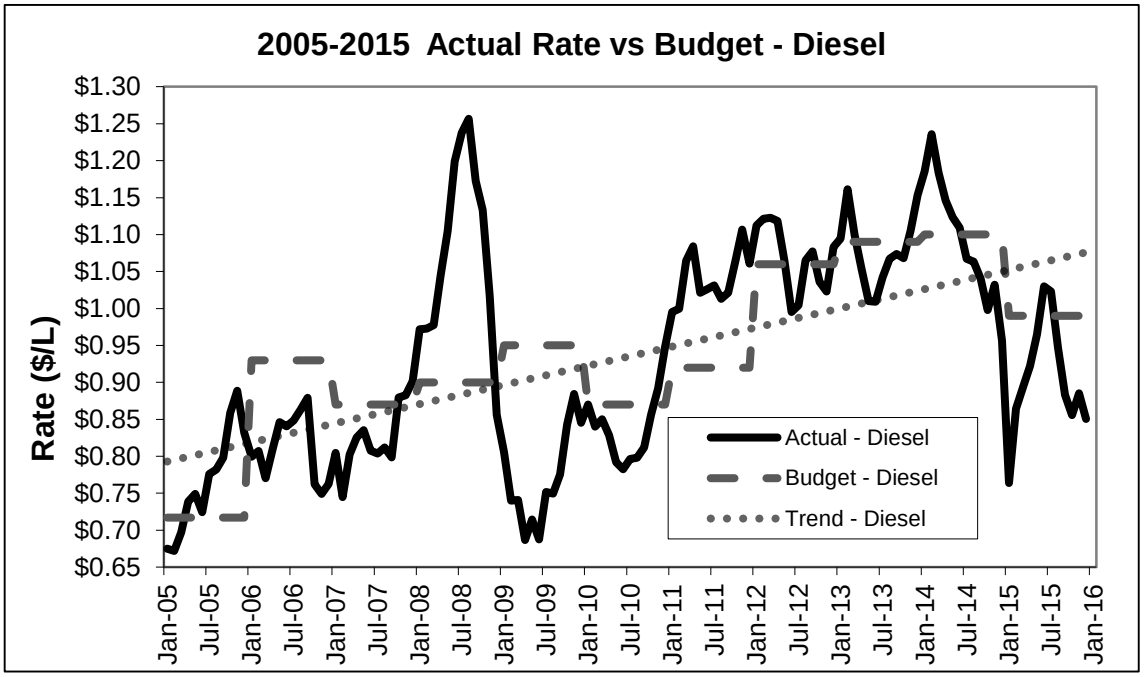
The 2015 budget price for diesel and gasoline was set at $0.99 per litre. For 2015, the average diesel and gasoline prices ended slightly below budget, with overall costs at 11% below budget. Table 5 below shows the 2015 results as compared to budget.

Table 5: Fuel Costs and Consumption as Compared to Budget

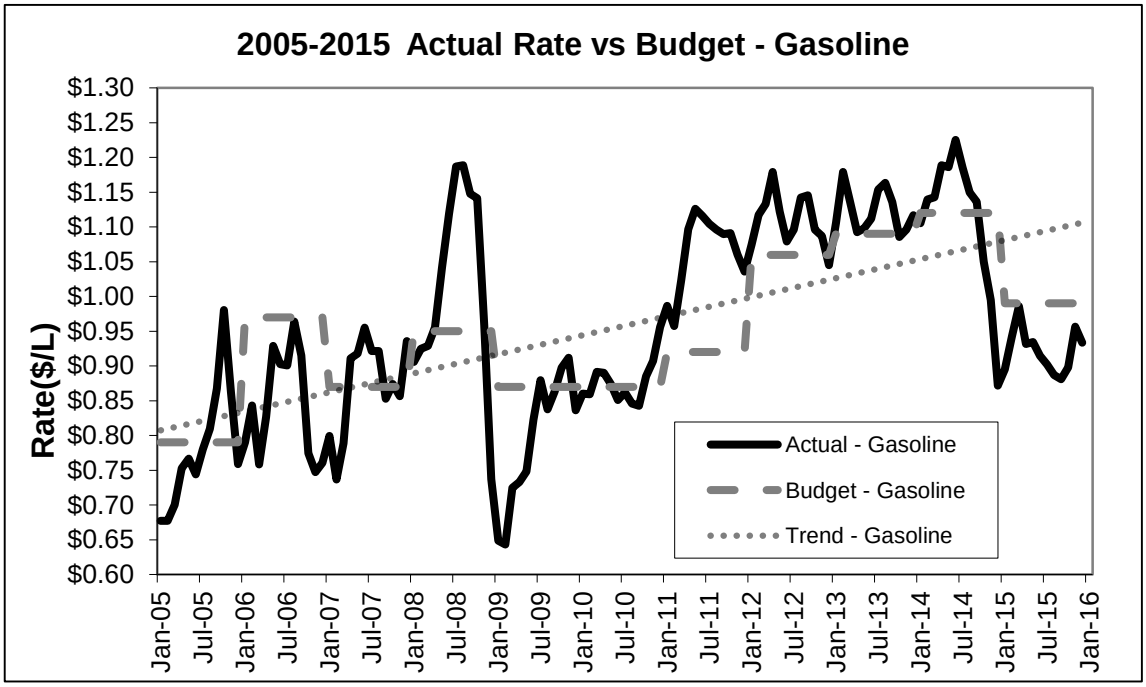
2015	Diesel Cost ($)	Diesel Consumption (L)	Gasoline Cost ($)	Gasoline Consumption (L)
Budget	$12,365,360	12,490,264	$2,163,610	2,185,466
Actual	$10,993,512	11,961,168	$1,888,488	2,084,181
Variance	-$1,371,848	-529,096	-$275,122	-101,285
% of Budget	89%	96%	87%	95%
Avg. Price Per Litre	$0.92		$0.91	

The following graphs (Graphs 8 and 9) illustrate the market volatility of fuel over the past number of years for diesel and gasoline.

Graph 8: Actual Diesel Price per Litre Compared to Budget Price per Litre



Graph 9: Actual Gasoline Price per Litre Compared to Budget Price per Litre



Fuel Risk Management

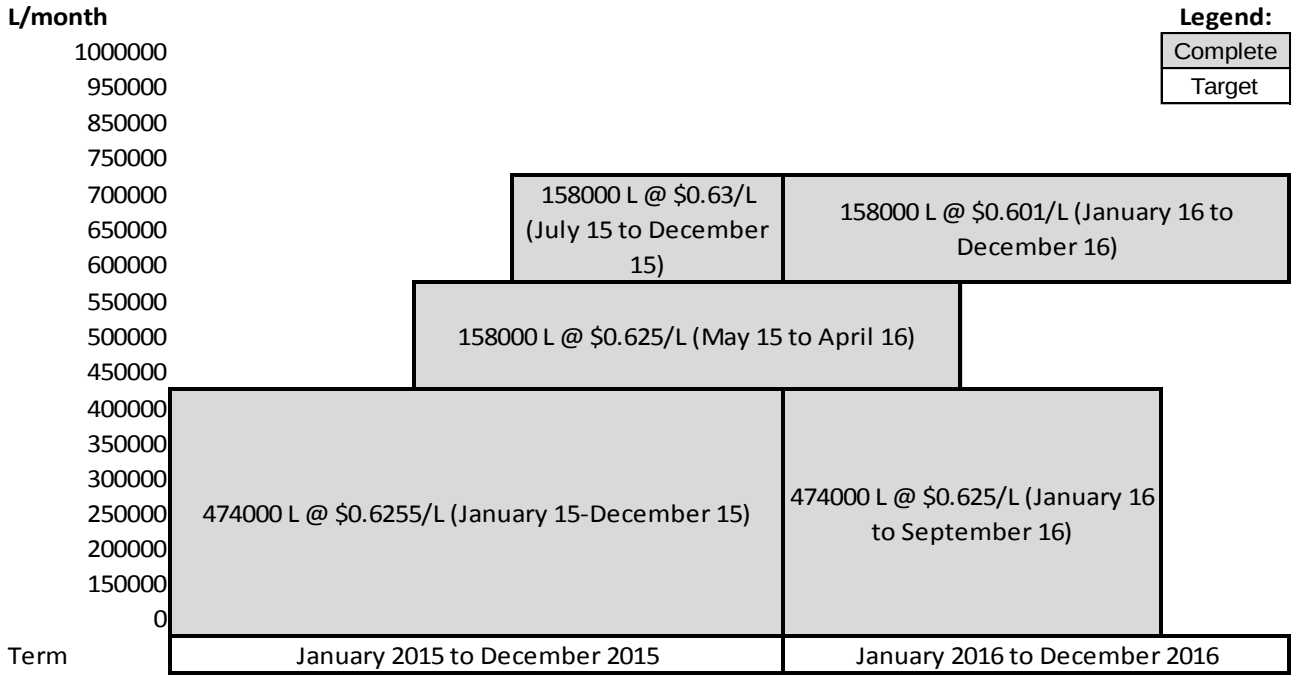
One method to manage volatility is to hedge volumes for a forward term at a set price. Like other commodities, diesel fuel prices have been volatile for many years. In late 2014 the City hedged a portion of the City's diesel volume requirements for the 2015 calendar year by transacting a financial NYMEX Heating Oil Swap with the Royal Bank of Canada. Other factors that impact the final all in budget price include ongoing spot market volatility (on the volumes not hedged), currency exchange rates, federal taxes and delivery charges. This financial hedge product converts floating prices into fixed prices for a set volume over a set term. The hedge enables the City to reduce volatility while protecting against upward swings in price with the hedged volume, and to continue to take advantage of lower market swings with non-hedged volumes. Results of the 2015 hedge and its impact on pricing are shown in Table 6, below.

Table 6: 2015 Hedging Results and Impact on Pricing $/litre(L)

	Diesel Price (unhedged) ($/L)	Hedging Adjustments Impact ($/L)	Actual Price of Diesel ($/L)	Diesel Budget ($/L)	% Above or Below (-) Budget
Jan-15	$ 0.864	$ 0.032	$ 0.895	$ 0.990	-10%
Feb-15	$ 0.950	-$ 0.007	$ 0.942	$ 0.990	-5%
Mar-15	$ 0.974	$ 0.012	$ 0.986	$ 0.990	0%
Apr-15	$ 0.921	$ 0.011	$ 0.932	$ 0.990	-6%
May-15	$ 0.937	-$ 0.003	$ 0.934	$ 0.990	-6%
Jun-15	$ 0.911	$ 0.004	$ 0.915	$ 0.990	-8%
Jul-15	$ 0.869	$ 0.033	$ 0.902	$ 0.990	-9%
Aug-15	$ 0.824	$ 0.063	$ 0.887	$ 0.990	-10%
Sep-15	$ 0.826	$ 0.055	$ 0.881	$ 0.990	-11%
Oct-15	$ 0.824	$ 0.074	$ 0.898	$ 0.990	-9%
Nov-15	$ 0.873	$ 0.083	$ 0.956	$ 0.990	-3%
Dec-15	$ 0.809	$ 0.124	$ 0.933	$ 0.990	-6%

For 2015, 40% to 70% of the City's diesel supply was financially hedged to the end of December. Graph 10 provides a profile of all transacted hedges. Staff monitor the market, and continue to develop strategies if agreeable market opportunities are presented.

Graph 10: City of Hamilton Fuel Hedge Profile (Heating Oil)



Fuel Market Update

Prices in 2015 were volatile. The hedge for diesel was a financial hedge against heating oil. Heating oil prices (and diesel and gasoline) were impacted heavily by the fall of crude oil prices. The price of crude fell quickly throughout 2015 amongst world-wide oversupply in several key markets depressing prices. Other impacts to prices are the refining capacity (of crude oil to useable petroleum products) and thus the added costs for export, and the value of the Canadian dollar. Recent geo-political activity indicates a shift in production levels which is expected to stabilize supply (decrease) to the market and increase crude oil pricing for the latter part of 2016.

Commodity Stabilization Fund

In light of the volatile and rising fuel costs a Commodity Stabilization Fund was established in 2011 by Council as a reserve to allow for commodity related budget over-runs. The use of this reserve is expected to occur when no other operating surplus is available to offset over budget commodity expenses. The reserve was established with an initial $1.5 million contribution.

Contract Agents

Managing the annual energy cost of over $45 million requires on-going attention to detail as it relates to the volatile and ever changing regulatory environment, billing and supply contracts. In order to maximize available expertise, the City uses outside consultants (Contract Agents), in order to assist staff in negotiating the unstable and

complex energy commodity and associated regulatory markets. The use of these Contract Agents has proven valuable in that they are immersed daily in the energy commodity markets and have specialized expertise with respect to monitoring and responding to market changes. With Council approval, the City has a professional services agreement with Aegent Energy Advisors to assist with the day-to-day management of the City's natural gas portfolio which extends to December 2016.

Additionally, the City reviews several market-based publications and engages with outside parties to further gather information on factors influencing pricing both domestically and globally.

Consistency with City Energy Commodity Hedging Policy and Goals

The agreements entered into during the reporting period are consistent with the City's Commodity Price Hedging Policy and Goals:

- The agreements have provided for a price of natural gas that was more stable and, therefore, less risky than it would have been omitting the agreements;
- The actions taken through the authority of the Energy Commodity Policy have reduced uncertainty about energy costs, which has a direct impact on the City's financial position. It has also enabled staff to respond to favourable market conditions;
- Credit ratings for the City's primary natural gas suppliers remain above the minimum threshold outlined in the policy; and,
- Commodity hedging provides municipalities with added flexibility to potentially mitigate or manage potential price fluctuations.

Policy Reporting Requirements

The General Manager, Finance and Corporate Services shall report to Council at least once each fiscal year with respect to any and all energy commodity price hedging agreements and other energy commodity agreements, in place. The report shall contain, at a minimum, all requirements as set out in O. Reg. 653/05 (as it exists from time to time) and shall include:

1) A statement about the status of the energy commodity price hedging agreements during the period of the report, including a comparison of the expected and actual results of using the agreements;

2) A statement by the General Manager, Finance & Corporate Services indicating whether, in his opinion, all of the agreements entered, during the period of the report, are consistent with this Energy Commodity Policy relating to the use of financial agreements to address commodity pricing and costs;

3) An overview of any agreements with contract agents (including, without limitation, actual costs, services provided and frequency of use) and a statement by the General Manager, Finance and Corporate Services indicating whether, in his opinion, all of these agreements are consistent with this Energy Commodity Policy with respect to the use of contract agents;

4) An overview of any co-operative energy purchasing initiatives and/or agreements and a statement by the General Manager, Finance and Corporate Services indicating whether, in his opinion, all of these agreements are consistent with this Energy Commodity Policy with respect to the use of co-operative energy purchasing;

5) Such other information as Council may require; and,

6) Such other information as the General Manager, Finance and Corporate Services considers appropriate to include in the report.

The City of Hamilton's commitment to responsibly managing energy costs 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.

JS/LC