

HAMILTON RENEWABLE POWER INC. ANNUAL GENERAL MEETING



**Background,
Operational &
Financial Update**

December 12, 2018



Hamilton Renewable Power Inc.

Agenda:

1. Background – Rom D'Angelo
2. Operational Update – Frank Gazzola
3. Financial Update – David Oak



HRPI Corporate Structure





Purpose of Key Meetings

To provide information/updates on:

- Overview
- Previous year audited financial statements
- Current year financial update

To approve resolutions

- Appointment of the auditor
- Confirming the actions of the Corporation



How HRPI Benefits to the City

- The City of Hamilton as a municipal leader in producing renewable energy or “green” power.
- As of the year end 2018, HRPI had generated in excess of \$3.697 million in cumulative shareholder value.
- Combined renewable energy generating capacity of 4.8 megawatts or enough capacity to power 3,400 homes.
- Improvements to the environment through annual CO₂ emission reductions of approximately 100,000 tonnes (or 22,188 cars equivalent emissions).

Background- Woodward

- **Staff:**
 - Outsourced operations and maintenance
 - Administration through City staff
- **Facility:**
 - 1.6 MW generator
 - Methane gas from the WWTP digesters
 - Heat harvested from the engine
- **Services:**
 - Electricity generation
 - Facilities heating



Background - Glanbrook

- Staff:
 - Outsourced operation and maintenance
 - Administration through City staff
- Facility:
 - 2 combustion engines generating 3.2 MW of Energy
 - Runs on methane gas
 - horizontal and vertical collectors
 - 3 condensate traps
 - Perimeter header that conveys methane to engines
- Services:
 - Power Generation of enough electricity to power 2,100 homes



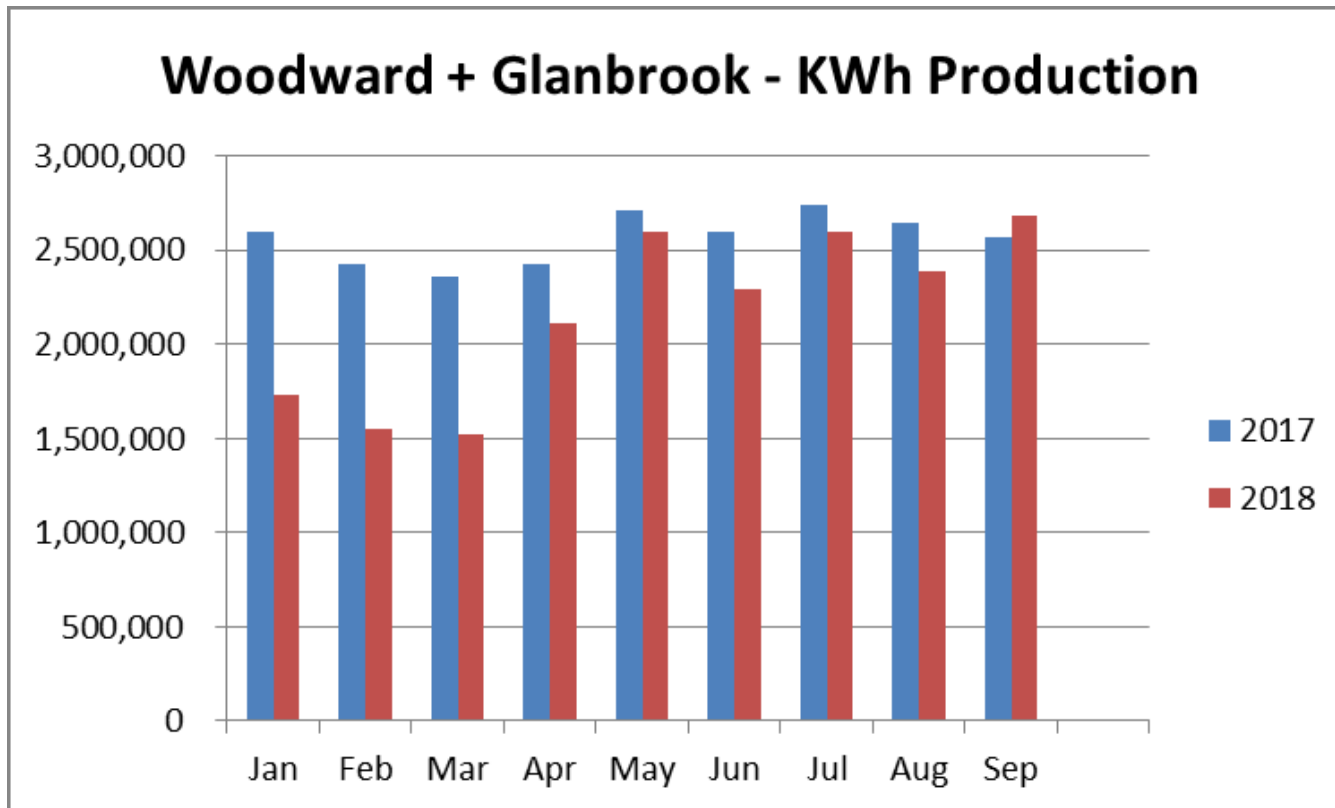


Hamilton Renewable Power Inc.

Operational Update 2018

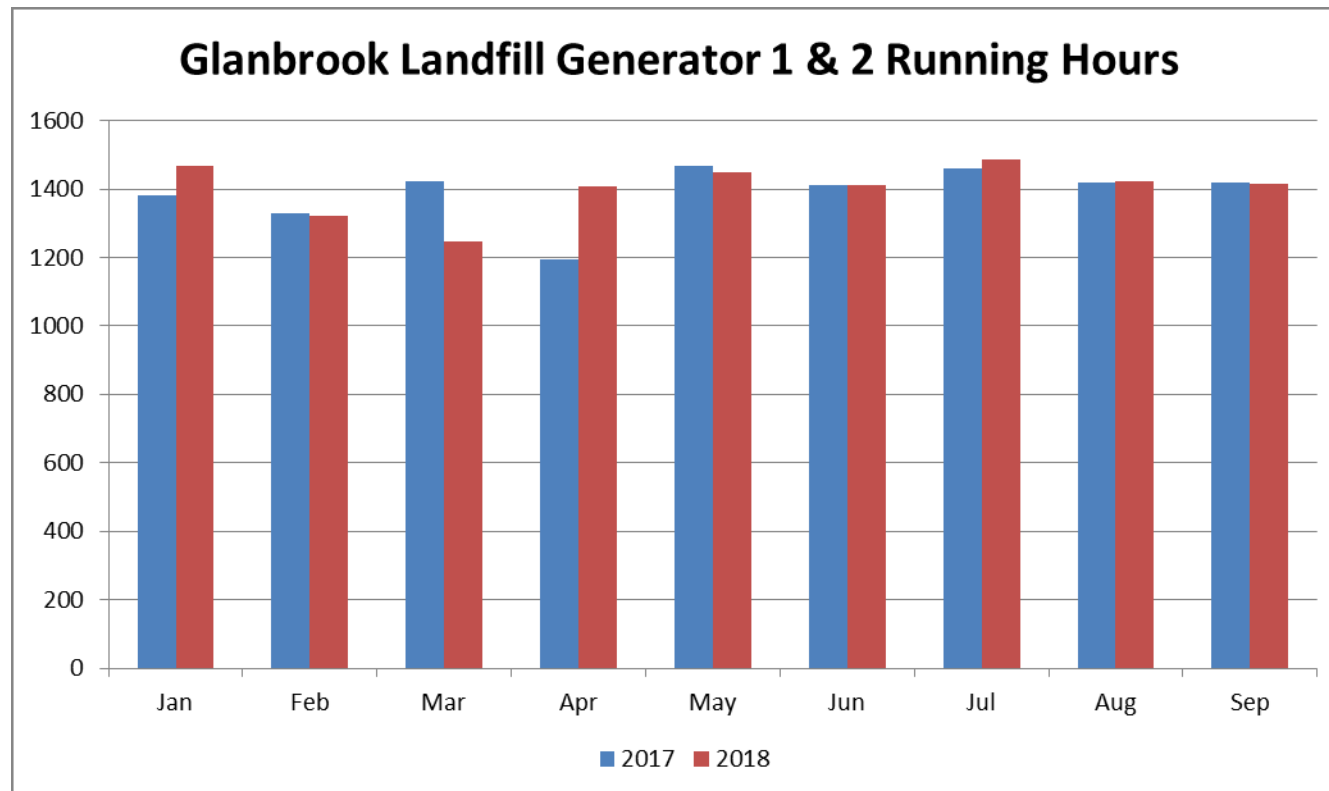


Monthly kilowatt hour (kWh) Production



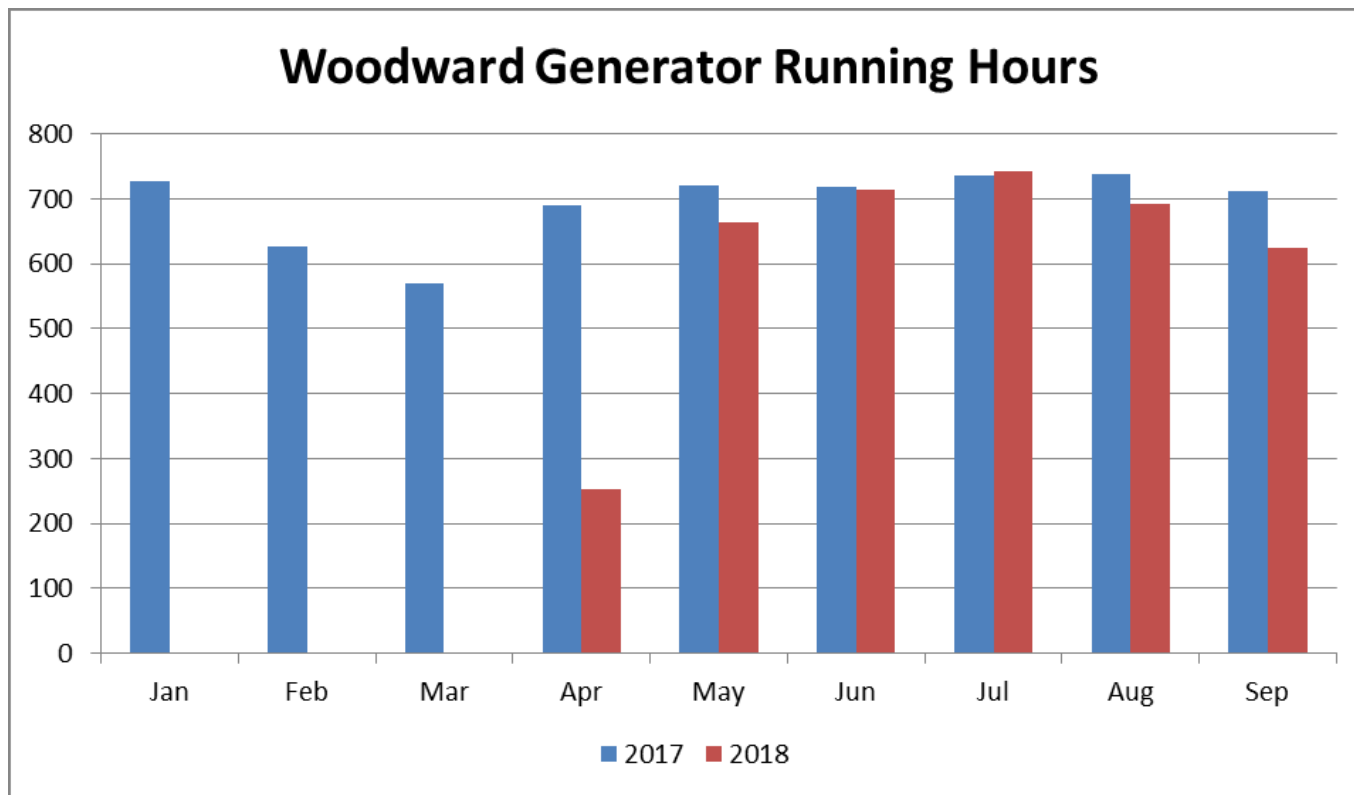


Glanbrook Engine Operating Hours





Woodward Engine Operating Hours





Hamilton Renewable Power Inc.

**Financial Update
2018**



2018 Year-To-Date Actuals

Income Statement – period ending September 30

	YTD Budget	YTD Actuals	Variance
Revenues	\$2,051,131	\$2,217,313	\$166,182
Cost of Methane	\$573,835	\$568,941	\$4,894
Expenses	\$1,569,969	\$1,551,311	\$18,658
PILs	(\$34,618)	\$42,000	(\$76,618)
Net Income	(\$58,055)	\$55,061	\$113,116



2018 Full Year Forecast

Income Statement – period ending December 31

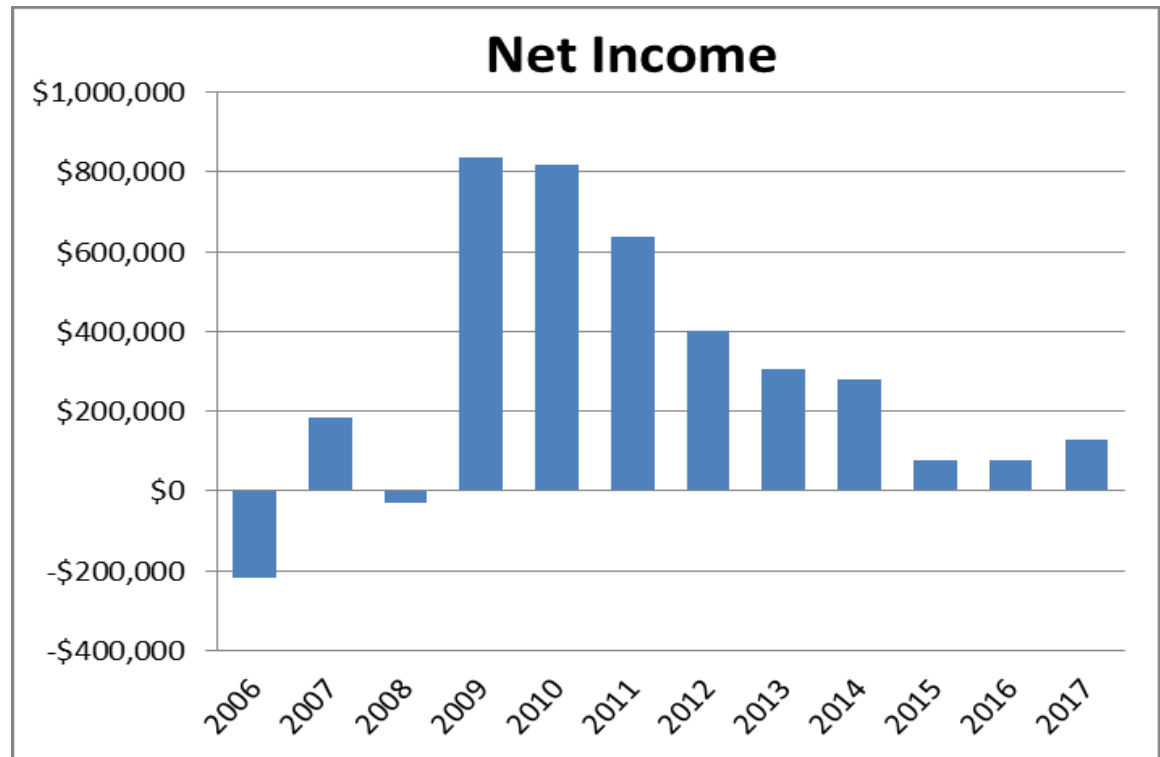
	FY Budget	FY Forecast	Variance
Revenues	\$2,814,399	\$2,980,581	\$166,182
Cost of Methane	\$786,541	\$781,646	\$4,895
Expenses	\$2,127,720	\$2,115,311	\$12,409
PILs	(\$35,278)	\$11,433	(\$46,711)
Net Income	(\$64,584)	\$72,191	\$136,775



FINANCIAL TRENDS

Net Income Earned

Year	Net Income
2006	-\$ 218,363
2007	\$ 184,301
2008	-\$ 28,544
2009	\$ 834,850
2010	\$ 816,973
2011	\$ 635,185
2012	\$ 399,710
2013	\$ 306,585
2014	\$ 279,202
2015	\$ 75,935
2016	\$ 76,892
2017	\$ 128,821



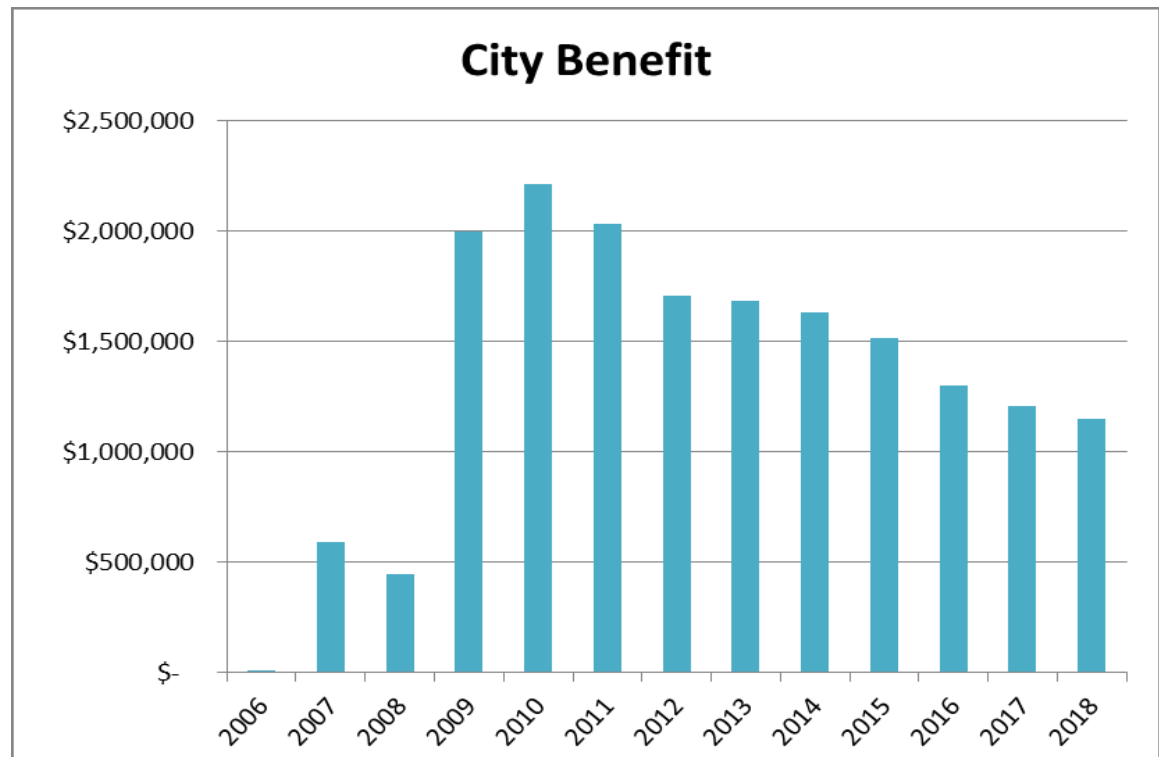


FINANCIAL TRENDS

Net Benefit to City

From Commencement of Commercial Operations in 2006 including 2018 Budget

Year	Net Benefit to the City
2006	\$ 11,257
2007	\$ 591,719
2008	\$ 447,373
2009	\$ 2,000,345
2010	\$ 2,213,378
2011	\$ 2,033,743
2012	\$ 1,708,212
2013	\$ 1,686,137
2014	\$ 1,633,667
2015	\$ 1,517,245
2016	\$ 1,301,246
2017	\$ 1,210,308
2018	\$ 1,150,017
Total	\$ 17,504,647

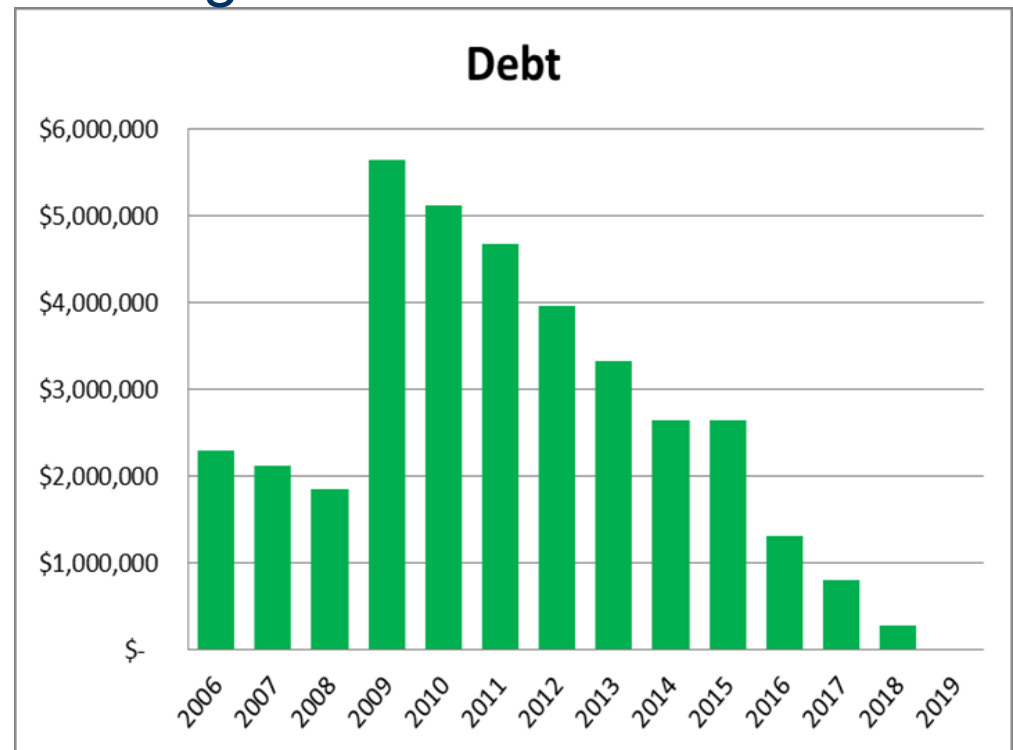




FINANCIAL TRENDS

Outstanding Debt

Year	Actual Debt	Equity Forecast	D/E Ratio
2006	\$ 2,290,483	\$ 1,705,705	1.34
2007	\$ 2,123,635	\$ 5,690,006	0.37
2008	\$ 1,851,646	\$ 5,661,462	0.33
2009	\$ 5,642,071	\$ 6,496,312	0.87
2010	\$ 5,120,167	\$ 6,101,198	0.84
2011	\$ 4,676,774	\$ 6,000,666	0.78
2012	\$ 3,966,430	\$ 5,773,734	0.69
2013	\$ 3,329,511	\$ 5,774,197	0.58
2014	\$ 2,648,875	\$ 5,757,583	0.46
2015	\$ 2,648,875	\$ 5,584,368	0.47
2016	\$ 1,303,584	\$ 5,600,906	0.23
2017	\$ 807,954	\$ 5,667,819	0.14
2018	\$ 278,305	\$ 5,709,545	0.05
2019	\$ -	\$ 5,751,270	0.00





FINANCIAL TRENDS

Dividend Amounts Paid to the City including 2018 Declaration

2010 Regular	\$ 757,963
2010 Special	\$ 500,000
2011 Regular	\$ 736,920
2012 Regular	\$ 626,642
2013 Regular	\$ 306,122
2014 Regular	\$ 295,816
2015 Regular	\$ 249,150
2016 Regular	\$ 60,748
2017 Regular	\$ 61,514
2018 Regular	\$ 103,057
Total	\$ 3,697,932

