



INFORMATION UPDATE

TO:	Chair and Members of the HRPI Board
DATE:	June 22, 2021
SUBJECT/REPORT NO:	Hamilton Renewable Power Inc. Operating and Financial Update
WARD(S) AFFECTED:	Not Applicable
SUBMITTED BY:	Rom D'Angelo, C.E.T.; CFM President, HRPI
SIGNATURE:	

The purpose of this Information Update is to advise and inform on the operational and financial status of HRPI business. Attached in Appendix A is an update of the operations for the Woodward cogeneration unit and the Glanbrook landfill site as well as a financial update and summary.

Operational Update

For the period of January 1st, 2021 to April 30, 2021 the operational highlights include:

- Overall kilowatt hour combined production for Woodward & Glanbrook is lower by approximately 1%:
 - Glanbrook production is down approximately 10% relative to last year (2020);
 - Woodward production is up from 2020 by 28%.

Financial Update

The HRPI operations have realized a net loss of \$68,295 for the four-month period covering January 1 to April 30, 2021, representing an unfavourable budget variance of \$52,940. This reported YTD loss is the result of decreased Glanbrook production due to lower gas supply levels that negatively affected electricity generation revenues.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

Revenues: Jan - Apr actuals = \$873,348 (negative vs. budget by - \$46,332).

- Includes revenues from electricity generation, thermal energy sold to the City and bank interest.

Cost of Goods Sold: Jan - Apr actuals = \$252,646 (negative vs. budget by - \$1,455).

- Represents the cost of methane purchased from the City which is in a minor negative variance position due to run time hours being slightly above budget.

Expenses: Jan - Apr actuals = \$699,139 (negative vs. budget by -\$5,153).

- Includes operating and maintenance expenses, depreciation and administrative support charges.

Payments in lieu of taxes (PILs): Jan - Apr actuals = \$(10,142) which is on budget.

- Balance consists of budgeted Deferred PIL tax adjustments. No current PIL tax advances required in 2021 on account of the previous year net loss in 2020.

Going forward, a net loss of approximately \$87,151 is being projected by the end of 2021. This year-end forecast reflects a two-month shutdown at Woodward resulting from a planned power outage by the City, continued below budgeted production for Glanbrook, and normal operating and maintenance expenses of a routine nature.

If you require further information on this matter, please contact Tom Chessman, Senior Vice President at extension 2494.

Appendices and Schedules Attached

Appendix "A" – Hamilton Renewable Power Inc. Board Meeting Presentation

Copy to:

Dan McKinnon, General Manager, Public Works
Andrea Holland, City Clerk, General Manager's Office