



HRP Inc. Board Meeting

Linda Campbell

Vice President of Operations, HRP Inc

Acting Manager, Energy Initiatives

Linda.Campbell@Hamilton.ca

Ext 2810



Agenda

- Introductions
 - Background on HRP Inc.
 - Board of Directors – purpose and roles
 - Benefits of HRP Inc.
 - Renewable Generation
 - Historical Financial Results
 - Plans for the Future
 - Resolutions for Board
 - Questions?
-



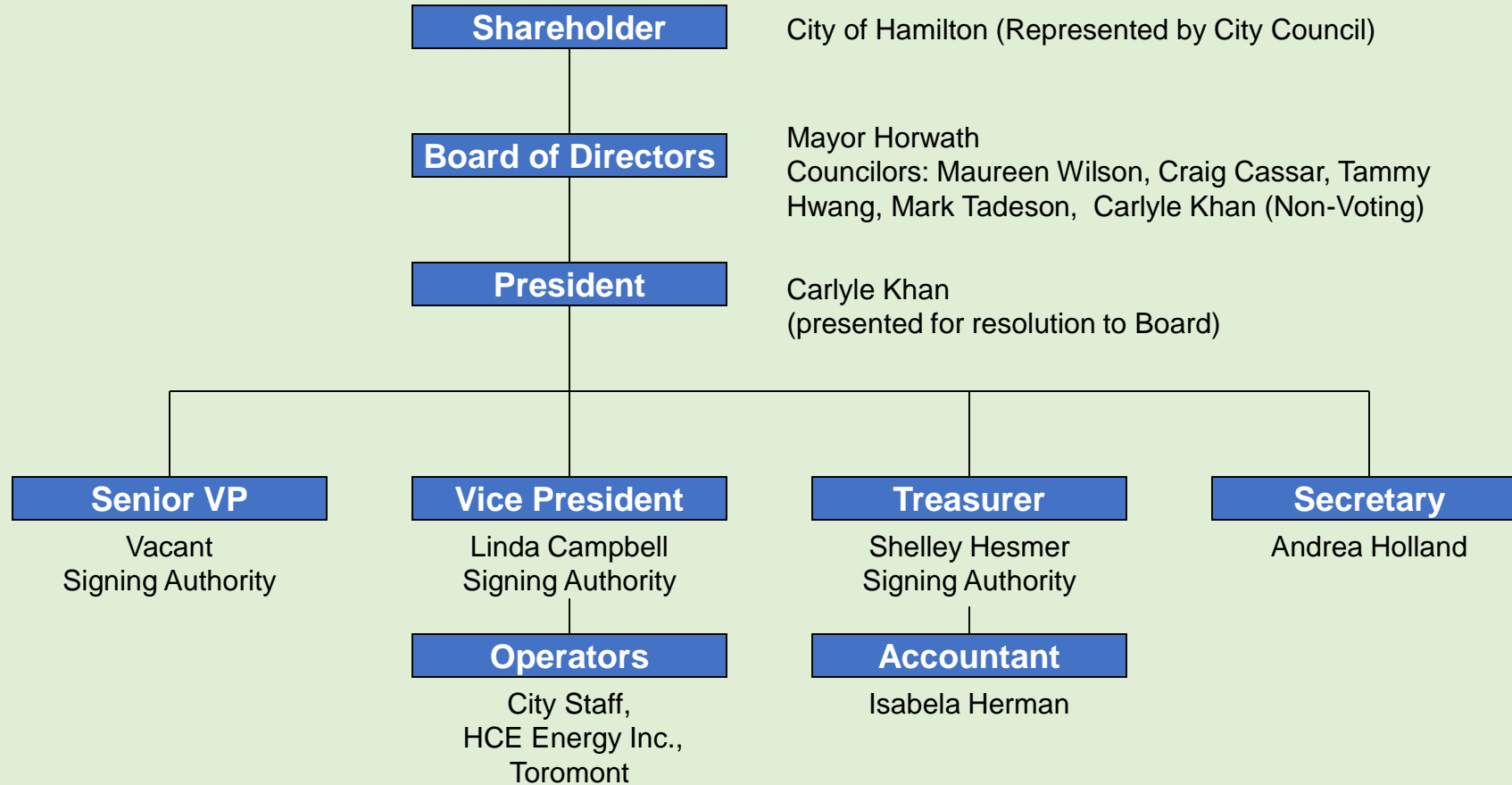
Hamilton Renewable Power Inc.

- The City of Hamilton created Hamilton Renewable Power Inc. in 2005.
- Originated with the City's desire to construct, operate and maintain a cogeneration facility; a source of renewable energy.
- Under legislation at the time, the City was not able to participate in this venture directly. Therefore, a city owned corporation, Hamilton Renewable Power Inc, was established to carry out the construction, operation and maintenance of this renewable energy facility. Governed by members of Council.
- Hamilton was the first municipality in Ontario to be accepted by the Ontario Energy Financial Corporation to build a generator for sustainable green energy.

The Board of Directors

- All corporations in Ontario must establish and maintain a Board of Directors.
- The board is composed of members of council.
- The purpose of the board is to govern and supervise the management of the business and affairs of the corporation and in doing so act honestly and in good faith with a view to the best interests of the corporation.
- AGM is once a year, board meetings and special shareholder meetings occur as required according to the business requirements of the corporation.
- Staff supports include operations, financial statements, presentations, business developments and potential future initiatives and strategies.
- The City of Hamilton is the sole shareholder of the corporation.

Hamilton Renewable Power Inc. Organizational Chart



HRPI Benefits to the City



As of 2022 , \$3,947,019 million in cumulative shareholder value.(Dividends).



The annual net financial benefit is over \$1,000,000 since 2009 except for the last two years.

Enough generating capacity to power 3,400 homes.



Annual CO2 emission reductions of approximately 60,000 tonnes (or 12,000 cars).





Renewable Generation

- HRP Inc. has a total of three 1.6 MW biogas-fueled systems.
 - One cogeneration unit at Hamilton Water site at Woodward.
 - Two units at Glanbrook landfill site.
- Provide renewable power to Ontario's electricity grid through long-term contracts with the province.

Background- Woodward

- **Staff & Contractors:**
 - Administration through City staff
 - Outsourced operations and maintenance to HCE Energy Inc.
- **Facility:**
 - 1.6 MW generator
 - Methane gas from the WWTP digesters
 - Heat harvested from the engine
- **Services:**
 - Electricity generation of enough electricity to power approx. 1,300 homes
 - Facilities heating



Woodward (Cogen)

- Production of 1.6 MW of renewable energy. A co-generation unit producing electricity and heat.
- Initial cost of approximately \$4.4 million.
- 20-year term contract signed with Ontario Electricity Financial Corp. to provide green energy. Contract expiration December 31, 2025.
- The reduction of over 1.5 million cubic meters (m³) of natural gas annually as a product of heat reclaim.
- Reduction of 6,500 tonnes of carbon dioxide equivalent (Co2eq) annually.

Background - Glanbrook

- **Staff:**
 - Outsourced operation and maintenance with Toromont Inc.
 - 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



Glanbrook (Cogen)

- Production of 3.2 MW of renewable energy. A co-generation unit producing electricity
- Initial cost of approximately \$8.2 million.
- 20-year term contract signed with the Independent Electrical Supply Operators (IESO) to provide green energy. Contract expiration Dec 31, 2027
- Reduction of 58,127 tonnes of carbon dioxide equivalent (Co2eq) annually.



Financial Results

- Net Income= revenue *less* expenses, interest and taxes
- Dividends=distribution of the company's earnings to its Shareholders
- City Net Benefit=revenue from sale of methane gas to HRP, recovery of salaries and dividends paid to City

Year	Net Income	Dividend	City Net Benefit
2006	\$ (218,363)	\$ -	\$ 11,257
2007	\$ 184,301	\$ -	\$ 591,719
2008	\$ (28,544)	\$ -	\$ 447,373
2009	\$ 834,850	\$ -	\$ 2,000,345
2010	\$ 816,973	\$ 1,257,963	\$ 2,213,378
2011	\$ 635,185	\$ 736,920	\$ 2,033,743
2012	\$ 399,710	\$ 626,642	\$ 1,708,212
2013	\$ 306,585	\$ 306,122	\$ 1,686,137
2014	\$ 279,202	\$ 295,816	\$ 1,633,667
2015	\$ 75,935	\$ 249,150	\$ 1,517,245
2016	\$ 76,892	\$ 60,748	\$ 1,301,246
2017	\$ 128,821	\$ 61,514	\$ 1,210,308
2018	\$ 133,711	\$ 103,057	\$ 1,131,862
2019	\$ 177,646	\$ 106,970	\$ 1,169,466
2020	\$ (66,331)	\$ 142,117	\$ 1,210,916
2021	\$ (264,527)	\$ -	\$ 963,239
2022*	\$ (474,989)	\$ -	\$ 734,038
Total	\$ 2,997,057	\$ 3,947,019	\$ 21,564,152

* un-audited

Immediate Plans for the future...

On September 13th, HRP Inc Board approved the following for future development at the Woodward Site. This work will be done in collaboration with Hamilton Water.

- *(ii) That staff proceed to advance the concept design and develop both a financial business case, including funding options and an environmental benefit for renewable natural gas (RNG) production, at a cost not to exceed \$100,000 to be drawn from the HRP Inc, 'cash reserve'.*
- *Preliminary work for a Glanbrook Landfill Gas Future report is being done by Waste with recommendations and any field work to be completed by Q2 by that group. The results of this study will form the basis for future considerations of strategic plans for Glanbrook operations.*

Resolutions

1. To appoint an officer (President) for a vacant position due to recently departed staff.
2. To approve an extension of the Toromont maintenance services agreement for Woodward Cogen.

Questions?



HRP Inc.