



HAMILTON RENEWABLE POWER INC. INFORMATION REPORT

TO:	Chair and Members of the HRP Inc. Board
DATE:	September 12, 2024
SUBJECT/REPORT NO:	Hamilton Renewable Power Inc. Draft Strategic Plan Update
WARD(S) AFFECTED:	Not Applicable
PREPARED BY:	Indra Maharjan, Senior Vice-President, HRP Inc.
SUBMITTED BY:	Carlyle Khan President, HRP Inc.
SIGNATURE:	

BOARD DIRECTION

As per the June 13, 2024 board meeting, Item 6.1 b and c staff were directed to report back to the Hamilton Renewable Power Inc Board with the

- b) work plan and governance options necessary to sustain, build and implement the strategy, including identifying resources required.
- c) That staff be authorized to engage with a consultant to develop the work plan for the strategy, to be funded from the Cash Reserve Account at an upset limit, including contingency, not to exceed \$150,000.

INFORMATION

Hamilton Renewable Power Inc. (HRP Inc.) is a renewable energy generating corporation wholly owned by the City of Hamilton. Established in 2005, HRP Inc. focuses on optimizing the use of biogas and landfill gas to generate low carbon renewable energy. The company operates two primary renewable energy generating facilities; the Woodward Wastewater Treatment Plant and the Glanbrook Landfill, where it converts waste-derived methane into electricity and renewable natural gas (RNG). Through continuous innovation and strategic partnerships, HRP Inc. aims to continue

leading the development and expand existing sites, providing value to the community and fostering a greener future.

The board meetings are held every quarter.

Update on draft strategic plan

Staff have prepared high-level table of contents with brief details on each section prior to formally engaging a consultant to develop this document further and bring back to the board in future meetings.

Woodward Wastewater Treatment Plant – Future Scenarios

The current operating contract with Toromont and Hamilton Community Enterprise (HCE) expires at the end of December 2025.

Option 0 – Status Quo

This leads to a deteriorating net cash position.

Option 1.1 – 100% RNG to Gas Line

Inject all renewable natural gas (RNG) by injecting into the gas line.
Most profitable option

Option 1.2 – 100% RNG to City

Renewable Natural Gas (RNG) is directly consumed by City.
Not profitable and would require upsizing the BPU.

Option 2 – 100% CHP

Sell all generated energy through Combined Heat and Power (CHP)
Not profitable option

Option 3 – Combination of RNG and CHP

Utilize a combination of Renewable Natural Gas (RNG) injection into the gas line and energy generation through Combined Heat and Power (CHP). However, this option is less attractive due to lower returns and a long payback period.

Glanbrook Landfill – Future Scenarios

The current contract with Toromont Power Systems expires at the end of December 2027.

Option 0 – Status Quo

Not profitable – continually incurring operating losses each year.

Option 1.1 – 100% RNG to Gas Line

Sell all Renewable Natural Gas (RNG) by injecting it into the gas line.

Most profitable when RNG is sold to a third party.

Option 1.2 – 100% RNG to City

Sell all Renewable Natural Gas (RNG) directly to the City.

Less of an economic benefit but will reduce GHG emissions as can apply the credits.

Option 2 – 100% Electricity

Sell 100% electricity.

Not profitable option

Option 3 – Combination of RNG and CHP

Utilize a combination of Renewable Natural Gas (RNG) injection into the gas line and energy generation through Combined Heat and Power (CHP). However, this option is less attractive due to lower returns and a long payback period.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” - Hamilton Renewable Power Inc. Board Meeting Presentation

Appendix “B” – Hamilton Renewable Power Inc. Business Strategy- Draft Table of Contents