

1. COMMUNITY ENERGY INNOVATION FUND

**FONDS POUR L'INNOVATION EN MATIÈRE DE TECHNOLOGIES
ÉNERGÉTIQUES COMMUNAUTAIRES**

COMMITTEE RECOMMENDATION

That Council approve the Community Energy Innovation Fund's Terms of Reference attached as Document 1.

RECOMMANDATION DU COMITÉ

Que le Conseil approuve le cadre de référence du Fonds pour l'innovation en matière de technologies énergétiques communautaires, ci-joint dans le document 1.

DOCUMENTATION/DOCUMENTATION

1. Director's report, Economic Development and Long Range Planning, Planning, Infrastructure and Economic Development, dated 2 March 2018 (ACS2018-PIE-EDP-0011).

Rapport du Directeur, Développement économique et Planification à long terme, Direction général de la planification, de l'infrastructure et du développement économique, daté le 2 mars 2018 (ACS2018-PIE-EDP-0011).

2. Extract of draft Minutes, Environment and Climate Protection Committee, 26 March 2018.

Extrait de l'ébauche du procès-verbal, Comité de l'environnement et de la protection climatique, le 26 mars 2018.

**ENVIRONMENT AND CLIMATE
PROTECTION COMMITTEE
REPORT 19A
11 APRIL 2018**

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**COMITÉ DE L'ENVIRONNEMENT ET
DE LA PROTECTION CLIMATIQUE
RAPPORT 19A
LE 11 AVRIL 2018**

**Report to
Rapport au:**

**Environment and Climate Protection Committee
Comité de l'environnement et de la protection climatique
26 March 2018 / 26 mars 2018**

**and Council
et au Conseil
11 April 2018 / 11 avril 2018**

**Submitted on March 2, 2018
Soumis le 2 mars 2018**

**Submitted by
Soumis par:
John Smit**

Director / directeur

**Economic Development and Long Range Planning / Développement économique
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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2018-PIE-EDP-0011

SUBJECT: Community Energy Innovation Fund

**OBJET: Fonds pour l'innovation en matière de technologies énergétiques
communautaires**

REPORT RECOMMENDATIONS

That Environment and Climate Protection Committee recommend Council approve the Community Energy Innovation Fund's Terms of Reference attached as Document 1.

RECOMMANDATIONS DU RAPPORT

Que le Comité de l'environnement et de la protection climatique recommande au Conseil d'approuver le cadre de référence du Fonds pour l'innovation en matière de technologies énergétiques communautaires, ci-joint dans le document 1.

BACKGROUND

In December 2017, Council approved Phase 1 of Energy Evolution: Ottawa's Community Energy Transition Strategy (ACS2017-PIE-EDP-0048), a strategic priority for the 2014-2018 Term of Council. The vision for Energy Evolution is to transform Ottawa into a thriving city powered by clean, renewable energy by:

- Reducing energy use through conservation and efficiency.
- Increasing the supply of renewable energy through local or regional production.
- Prioritizing the procurement of clean, renewable energy.

To support achieving Energy Evolution's vision, it was recommended that a new funding program called Community Energy Innovation Fund (CEIF) be developed to seed the advancement of viable energy opportunities and savings in Ottawa as well as longer term planning for the city's low-carbon future. This fund builds on the work completed through the previous Energy Evolution Catalyst Project Program that ran in 2017. A general structure for CEIF was approved as part of the Phase 1 of Energy Evolution approval, and staff committed to bringing back a report on the mandate, financing, and governance of CEIF to Council in 2018.

A one-time funding request of \$500,000 to implement CEIF was approved by Council as part of the 2018 Environment and Climate Protection Committee tax supported budget ([ACS2017-CCS-ECP-0005](#)). Staff will review the success of the fund after one year's time and report back to Council.

Additionally, a motion at Finance and Economic Development Committee was further approved by Council that directed that:

“... any surplus in the Hydro Ottawa dividend in 2018 will be allocated such that 2/3 of the amount be directed towards the Roads Resurfacing program and that 1/3 be directed towards energy efficiency programs within the City, with specific projects to be recommended by the Environment and Climate Protection Committee and Council once the specific dollar amount, if any, is known.”

The Environment and Climate Protection Committee on November 21, 2017 directed staff to determine how the Hydro Ottawa dividend surplus is to be used and staff committed to responding to this inquiry as part of the CEIF report back to Committee. As the dividend amount is not yet known, staff will return to the Environment and Climate Protection Committee in the spring and recommend energy efficiency programs for approval as directed by the Finance and Economic Development Committee.

DISCUSSION

The CEIF is to provide funding to local, community-based projects that support Energy Evolution: Ottawa's Community Energy Transition Strategy. The vision for Energy Evolution is to transform Ottawa into a thriving city powered by clean, renewable energy by:

- Reducing energy use through conservation and efficiency.
- Increasing the supply of renewable energy through local and regional production.
- Prioritizing the procurement of clean, renewable energy.

In addition, eight goals were established as part of Energy Evolution to further support achieving the vision. They are:

- Help meet or exceed locally established energy reduction targets.
- Develop local renewable energy generation opportunities.
- Improve energy security.

- Create greater opportunities for residents to own or invest in local energy systems and businesses.
- Reduce environmental impact.
- Complement long-term municipal land use, transportation and infrastructure master plans.
- Advance economic development objectives.
- Bring groups together to facilitate info sharing and development of joint solutions.

Types of projects to be considered for funding may include, but are not limited to, projects that increase energy literacy, encourage behavioural changes, pilot emerging technologies, and/or enable innovative approaches to energy conservation and efficiency or renewable energy generation. Eligible applicants must be community groups, service groups, non-profit organizations, local businesses, or Business Improvement Areas that are in good financial standing and located in Ottawa. Further details on the CEIF application process, the assessment criteria, and timelines can be found in Document 1.

Financing

CEIF has a one-time total budget of \$500,000 as part of the approved Environment and Climate Protection Committee tax-supported budget. Funds not spent in 2018 will roll over into 2019.

Governance

An appointed CEIF Coordinator will coordinate the fund through the Resiliency and Natural Systems Planning Unit in the Planning, Infrastructure and Economic Development Department.

An Allocation Panel will be coordinated to review the applications and allocate funding. The panel will be comprised of the CEIF Coordinator, a staff from the City's Building Engineering and Energy Management Unit, and two subject-matter experts selected from within the community.

Timelines and Reporting

A call for applications will go out mid-April 2018 for the 2018 round of CEIF funding. A second call may go out should all funds not be exhausted during the initial round of submissions.

Following the completion of the projects under CEIF, staff will report back to Council summarizing the success of the program and recommendations for next steps.

RURAL IMPLICATIONS

There are no rural implications associated with this report.

CONSULTATION

Environment and Climate Protection Committee and Council deliberated the general structure of CEIF and the \$500,000 in funding support in November 2017 and December 2017, respectively.

COMMENTS BY THE WARD COUNCILLORS

This is a city-wide report – not applicable.

LEGAL IMPLICATIONS

There are no legal impediments to approving the recommendation of this report.

RISK MANAGEMENT IMPLICATIONS

All risks have been identified and explained in the report and are being managed by the appropriate staff.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with the recommendation of this report.

FINANCIAL IMPLICATIONS

Funds in the amount of \$500,000 are available within 909151 Community Energy Initiatives.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with this report.

ENVIRONMENTAL IMPLICATIONS

The CEIF will help to support the vision and goals of Energy Evolution: Ottawa's Community Energy Transition Strategy, and assist in achieving the City's target to reduce community-wide emissions by 80 per cent below 2012 levels by 2050.

TERM OF COUNCIL PRIORITIES

This work aligns to the Sustainable Environmental Services (ES) Strategic Priority:

To provide sustainable environmental services that balance protection of our natural resources and support the planned growth of the city with the duty to ensure fiscal sustainability and meet legislative requirements in the delivery of municipal services.

SUPPORTING DOCUMENTATION

(Previously distributed to all members of Council and held on file with the City Clerk.)

Document 1 Community Energy Innovation Fund Terms of Reference

DISPOSITION

Following receipt of report, staff in the Planning, Infrastructure and Economic Development Department will carry out the Community Energy Innovation Fund as outlined in this report and Document 1.