

August 25, 2010

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young, Chief Executive Officer

Subject: **Loan from the Better Buildings Partnership**

Summary:

This report recommends that the Board approve of a seeking funding support in the form of a loan from the Better Building Partnerships (BBP) in an amount of \$0.597M for seven projects all related to energy efficiencies and energy production. In accordance with the BBP program, this will be a zero interest loan with an amortization period of 10 years. Including all seven (7) subprojects in one application allows Exhibition Place to balance off projects that have a long pay-back period with those that have a short payback period (typically lighting retrofit projects). The total cost of this Multiple Energy Project is approximately \$6.342M most of which is funded through the Capital and ISF programs (\$5.947M).

It is estimated that altogether this Multiple Energy Project will reduce Exhibition Place total hydro consumption by 9.0% or 1,362,049 kWh annually and reduce greenhouse gases by the following: CO₂ by 332 tonnes, SO_x by 86 kilograms and NO_x by 1,365 kilograms. Given the energy saved from this project, the payback of the BBP loan will be 4.3 years.

Recommendation(s):

It is recommended that the Board approve of an application to the Better Buildings Partnership seeking a loan of \$0.597M which loan will be used to partially finance the Multiple Energy Project.

Financial Impact:

The BBP loan of \$0.597M represents only 9.0% of the total cost for the Multiple Energy Project most of which is funded through either the State-of-Good Repair Capital Budget or the Federal Infrastructure program. It is estimated that the energy savings resulting from this Project will allow the loan to be repaid through these energy savings over a period of 4.3 years.

Decision History:

At its meeting of April 23, 2010 the Board approve Contract No. 09-0077-97747 to Bomben Plumbing & Heating Ltd. for the supply and installation of air-handling units and equipment within the Coliseum Complex.

At its meeting of April 23, 2010, the Board approve Contract No. 09-0077-97743 to Eileen Roofing Inc. for the roof replacement at the Mid-Arch and at the same meeting approved of Contract No. 09-0077-97744 to Solar Roofing & Sheet Metal Ltd. for the roof replacement at the North Extension

At its meeting of May 27, 2010, the Board approved the award the Contract No. 09-0077-97743-A to Nortex Roofing Ltd. for the Roof Replacement with Integrated PV System at East Annex, Coliseum Complex.

Included within the 2009 Strategic Plan, the Board approved of a Goal to *Exemplify and demonstrate environmental stewardship and leadership in all aspects of our businesses and operations*. Pursuant to this Goal, Exhibition Place has set an Objective of “*Actively promoting the reduction of grid-supplied energy use*”.

Issue Background:

BBP program requires approval from the City agency, board or commission prior to consideration of a loan to a City agency, board or commission.

Comments:

The Multiple Energy Project that is the subject of the BBP application is made up of the following components:

- Thin Film Integrated PV roof project on the East Annex as approved by the Board at its meeting of May 27, 2010;
- Standard PV Panel Arrays on the Horse Palace West Roof – One project within the Federal Infrastructure Program is reroofing of the west side of the Horse Palace. As with the East Annex, the intent is to issue an RFP for the installation of a cool roof and fixed PV;
- Cool Roofs on the East Annex, Mid-Arch and North Extension as approved by the Board at its meeting of April 23, 2010 and May 27, 2010;
- Lighting Retrofit in the West Annex to remove all T12 fixtures and replace them with T8 fixtures. A similar lighting retrofit was completed in the East Annex a few years ago;
- Replacement of the incandescent exit lights across the grounds with LED exit lights;
- Replacement of the Air Handling Units in the East and West Annexes with high efficiency units as approved by the Board at its meeting of April 23, 2010;
- Installation of an Intelli-Hood technology in the Allstream Centre kitchen which system operates on variable speeds and is very efficient. This technology was installed last year in Direct Energy Centre kitchen and has proved to be very effective.

The total cost of the entire Project is \$6.342M with \$5.947M being funded from the Capital and Federal Infrastructure programs leaving a shortfall of \$0.597M to be funded through a no-interest loan from the BBP which would result in a pay-back period of 4.3 years from energy efficiencies.

It is estimated that altogether this Multiple Energy Project will reduce Exhibition Place total hydro consumption by 9.0% or 1,362,049 kWh annually and reduce greenhouse gases by the following: CO₂ by 332 tonnes, SO_x by 86 kilograms and NO_x by 1,365 kilograms.

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