
CITY OF KELOWNA

MEMORANDUM

Date: July 22, 2009
File No.: 1855-20
To: City Manager
From: Director, Infrastructure Planning
Subject: Kelowna District Energy Feasibility Study

RECOMMENDATION:

THAT Council support the City's application to the BC Ministry of Community Development for a \$10,000 grant under the *Infrastructure Planning Grant Program* to support the Kelowna District Energy Feasibility Study.

BACKGROUND:

District Energy Systems increase the energy efficiency of whole neighbourhoods and create major opportunities for renewable energy sources in space heating/cooling and water heating, and could provide opportunities for electric power co-generation. Utility providers are increasingly interested in these systems to decrease their total energy requirements, to diversify their energy portfolios and to decrease the greenhouse gas emissions of their operations. Council approved a District Energy System Study in the 2008 Capital Budget for \$200,000, all of which was to be funded through federal and provincial grants.

Recently, staff identified a \$10,000 grant through the BC Ministry of Community Development *Infrastructure Planning Grant Program* that would support this kind of study. The application is due on July 29 and requests a Council resolution in support of the application.

An appropriate scope of work has been developed that includes:

- scoping the potential market for a District Energy System (DES) in the downtown area including Central Green, and the Pandosy Town Centre to determine both technical and financial feasibility of a DES (these areas have been selected due to their potential for growth and densification); and
- conducting workshops with stakeholders (developers, utilities, local businesses, and the public) to identify opportunities and barriers to implementation.

A successful grant application will encourage further involvement and support from the local energy utilities. Additional funding up to \$20,000 would be provided by the Energy Reserve that has been used by the Energy Management Committee to support the introduction of energy conservation projects and new energy technology pilots (including solar).



INTERNAL CIRCULATION TO:

Grants Manager

Considerations that were not applicable to this report:

LEGAL/STATUTORY AUTHORITY:

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

EXISTING POLICY:

FINANCIAL/BUDGETARY CONSIDERATIONS:

PERSONNEL IMPLICATIONS:

TECHNICAL REQUIREMENTS:

EXTERNAL AGENCY/PUBLIC COMMENTS:

COMMUNICATIONS CONSIDERATIONS:

ALTERNATE RECOMMENDATION:

Submitted by:



R. Cleveland, Director, Infrastructure Planning

Approved for Inclusion:

Signe Bagh, Acting General Manager, Community Sustainability

Cc: Mark Watt, Strategic Projects Manager, Infrastructure Planning
Lorna Gunn, Grants Manager, Strategic Initiatives
Don Degen, Utilities Manager and Chair, Energy Management Committee
Angie Thiessen, Financial Accounting Manager
Jim Paterson, General Manager, Community Sustainability