Preliminary Options: Compelling District Energy Connection

Bylaws

- Mandatory Connection Bylaws In district energy opportunity areas (OAs)
 where the district energy system is available and municipally owned, a bylaw
 could be utilized to mandate connection of all new and existing buildings,
 within a defined service area (e.g., Bylaw 17943 Blatchford Renewable
 Energy Utility).
- <u>Connection Readiness</u> In district energy OAs where district energy systems are not yet available, property owners could be informed of the planned implementation of district energy followed by a bylaw compelling connection when the system is available.

Policy

 <u>C627 Climate Resilience Policy</u> - Across all district energy OAs, C627 Climate Resilience Policy and all accompanying Procedures may be updated to mandate connection, or readiness to connect, for all new and existing City-owned, and/or City-funded buildings to reduce thermal load risk for district energy systems.

Land Sale Agreements

- Mandatory Connection by Land Sale In OAs where the district energy system is planned to be privately owned and the City is a landowner, the City could require connection to a privately owned district energy system as a condition of the land sale.
- Implementing More Advanced Energy Codes In district energy OAs where the City is a landowner, the City could include energy performance and greenhouse gas emission requirements in land sales agreements for developments (i.e., new construction) on City-owned land (see UPE1754 Implementing and Enforcing More Advanced Energy Codes, Attachment 3 for more detail). Doing so would strengthen the value proposition for new construction to connect to a district energy system, as district energy can facilitate lower unit costs for low-carbon energy. Furthermore, these energy performance and greenhouse gas emission requirements would necessitate either (i) new construction to be built with a high-performance building envelope and building-scale, low-carbon energy system, or (ii) connect to a low-carbon district energy system. Therefore, implementing advanced energy codes (UPE01754 Implementing and Enforcing More Advanced Energy Codes)

Attachment 3

for new construction compels and incentivizes new construction to connect to low-carbon district energy systems.

Incentives

 <u>Incentives</u> - Where mandatory connection is not possible or reasonable, connection to district energy systems may be encouraged through a variety of incentives. Additional research and stakeholder engagement is needed to identify the preferred district energy connection incentive. Such incentives would require financial investment from the City.

Activation

 <u>District Energy Ready Guideline</u> - To better prepare both new construction and existing buildings in Edmonton, a district energy ready guideline should be developed to inform connection requirements. This guideline could be used to educate building owners, architects and engineers on the requirements to design district energy ready buildings. Future consideration may include targeting specific OAs to ensure buildings are ready to connect to district energy when a system is initiated.