

# CAPITAL PROFILE REPORT

PROFILE NAME: **DOWNTOWN DISTRICT ENERGY INITIATIVE**  
 PROFILE NUMBER: **20-83-9001**  
 DEPARTMENT: **Integrated Infrastructure Services**  
 LEAD BRANCH: **Infrastructure Delivery**  
 PROGRAM NAME:  
 PARTNER: **Infrastructure Delivery**  
 BUDGET CYCLE: **2019-2022**

**FUNDED**

PROFILE STAGE:	Approved
PROFILE TYPE:	Standalone
LEAD MANAGER:	Brian Latte
PARTNER MANAGER:	Jesse Banford
ESTIMATED START:	June, 2020
ESTIMATED COMPLETION:	December, 2022

Service Category:	Utilities	Major Initiative:	Downtown Arena District
-------------------	-----------	-------------------	-------------------------

<b>GROWTH</b>	<b>RENEWAL</b>	PREVIOUSLY APPROVED:	28,229
90	10	BUDGET REQUEST:	-
		TOTAL PROFILE BUDGET:	28,229

## PROFILE DESCRIPTION

This capital profile is to initiate the overall Downtown District Energy initiative in a scaled-down approach, in a partnership with EPCOR, with the Central District Energy Plant located at the Winspear. The scaled-down approach provides the most benefits, as it allows for electrical and thermal energy generation for all three buildings, provides the best greenhouse gas impact and costs, and also keeps the location of the Central District Energy Plant at the Winspear.

## PROFILE BACKGROUND

The Downtown District Energy Initiative aims to develop a district energy system in support of Climate Resilience.

## PROFILE JUSTIFICATION

The scaled-down District Energy approach provides the most benefits, as it allows the electrical and thermal energy generation for all three buildings, provides the best greenhouse gas impact and costs, and also keeps the location of the Central District Energy Plant at the Winspear.

## STRATEGIC ALIGNMENT

This profile supports the Strategic Goal of Climate Resilience - Edmonton is a city transitioning to a low-carbon future, has clean air and water and is adapting to a changing climate.

## ALTERNATIVES CONSIDERED

Three alternatives were considered, two of them were alternative District Energy development scenarios, the other one was the business as usual scenario. This Profile represents the recommended alternative as presented to Council in report CR\_7754 Downtown District Energy Initiative – Public/Private Partnership Options, and reflects Option 1 as discussed in report CR\_8009 Spring 2020 Supplemental Capital Budget Adjustment.

## COST BENEFITS

A Council report coupled with a financial model was developed which concluded that the chosen scaled-down approach provides the most benefits, as it allows the electricity generation for all three buildings, provides the best greenhouse gas impact and costs, and also keeps the location of the Central District Energy Plant at the Winspear.

## KEY RISKS & MITIGATING STRATEGY

Key risks were evaluated in a risk assessment. The risks are financial, regulatory and legal nature and mitigation strategies have been developed.

## RESOURCES

At this time existing staff resources are in place to further develop this initiative. We are working with EPCOR on a future governance and operational model. A resourcing plan will be developed in the future.

## CONCLUSIONS AND RECOMMENDATIONS

Recommendation from Council to go forward in the Spring 2020 SCBA

## CHANGES TO APPROVED PROFILE

2020 Fall SCBA (#20-31, CFO 1D-7): To transfer \$329,000 from operating (Cost Centre: 996140) to 20-83-9001: Downtown District Energy Initiative profile. The \$329,000 was previously earmarked and approved by Council for Winspear to complete design activities.

# CAPITAL PROFILE REPORT

PROFILE NAME: **Downtown District Energy Initiative**  
 PROFILE NUMBER: **20-83-9001**  
 BRANCH: **Infrastructure Delivery**

**FUNDED**  
 PROFILE TYPE: **Standalone**

## CAPITAL BUDGET AND FUNDING SOURCES (000's)

APPROVED BUDGET		Prior Years	2020	2021	2022	2023	2024	2025	2026	2027	2028	Beyond 2028	Total
	Approved Budget												
	Original Budget Approved	-	-	-	-	-	-	-	-	-	-	-	-
	2020 Cap Administrative	-	73	256	-	-	-	-	-	-	-	-	329
	2020 Cap Council	-	4,500	9,400	14,000	-	-	-	-	-	-	-	27,900
	<b>Current Approved Budget</b>	-	<b>4,573</b>	<b>9,656</b>	<b>14,000</b>	-	-	-	-	-	-	-	<b>28,229</b>
Approved Funding Sources													
	Pay-As-You-Go	-	2,352	5,016	7,090	-	-	-	-	-	-	-	14,458
	Self-Liquidating Debentures	-	2,221	4,640	6,910	-	-	-	-	-	-	-	13,771
	<b>Current Approved Funding Sources</b>	-	<b>4,573</b>	<b>9,656</b>	<b>14,000</b>	-	-	-	-	-	-	-	<b>28,229</b>

BUDGET REQUEST		Prior Years	2020	2021	2022	2023	2024	2025	2026	2027	2028	Beyond 2028	Total
Budget Request		-	-	-	-	-	-	-	-	-	-	-	-

REVISED BUDGET (IF APPROVED)		Prior Years	2020	2021	2022	2023	2024	2025	2026	2027	2028	Beyond 2028	Total
Revised Budget (if Approved)		-	4,573	9,656	14,000	-	-	-	-	-	-	-	28,229
Requested Funding Source													
	Pay-As-You-Go	-	2,352	5,016	7,090	-	-	-	-	-	-	-	14,458
	Self-Liquidating Debentures	-	2,221	4,640	6,910	-	-	-	-	-	-	-	13,771
	<b>Requested Funding Source</b>	-	<b>4,573</b>	<b>9,656</b>	<b>14,000</b>	-	-	-	-	-	-	-	<b>28,229</b>

## CAPITAL BUDGET BY ACTIVITY TYPE (000's)

REVISED BUDGET (IF APPROVED)	Activity Type	Prior Years	2020	2021	2022	2023	2024	2025	2026	2027	2028	Beyond 2028	Total
	Construction	-	2,792	7,273	11,628	-	-	-	-	-	-	-	21,694
	Contingency	-	-	598	2,372	-	-	-	-	-	-	-	2,969
	Design	-	1,781	1,785	-	-	-	-	-	-	-	-	3,566
	<b>Total</b>	-	<b>4,573</b>	<b>9,656</b>	<b>14,000</b>	-	-	-	-	-	-	-	<b>28,229</b>

## OPERATING IMPACT OF CAPITAL

Type of Impact:

Branch:																
	Rev	Exp	Net	FTE												
<b>Total Operating Impact</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-