



Report To:	DSB Program Planning Committee
From:	Connie Morphet, Director of Finance Patrick Wittmann, Supervisor of Infrastructure and Asset Management
Date:	September 26, 2018
Re:	Alternative Energy - Issue Report

Purpose

This report intends to provide the Program Planning Committee and the Board with information regarding a request for a Memorandum of Understanding from an alternative energy solution provider.

Background

Operating costs have continued to rise with the increasing costs of electricity. Opportunities to reduce costs through building upgrades has and continues to be a high priority for infrastructure staff. Additional opportunities for operating cost reductions include alternative energy sources such as natural gas, biomass, solar, geothermal, etc. Natural gas is among the most affordable fuels, but availability is limited in the district.

Commercial Bioenergy Inc.

At the 2018 NOSDA AGM in Timmins, there were several companies displaying their solutions for DSB infrastructure needs. One of those companies was Commercial Bioenergy Inc.

Bioenergy is an alternative biofuels company providing energy solutions to reduce heating and electricity costs in institution, commercial and residential settings. Supported by state-of-the-art technology, Bioenergy seeks to implement projects where a net cost benefit is realized against current incurred utility costs, being, heat and/or electricity.

Manitoulin-Sudbury DSB and Bioenergy seek to explore a mutually beneficial Memorandum of Understanding that would evaluate, plan and effectively implement biomass as their primary fuel source in DSB owned properties where this is feasible and where cost savings to the DSB can be actually demonstrated and proven. Bioenergy aims to build a long-term biomass energy industry in Northern Ontario.

There are positive attributes to biomass as an energy source as noted in the [presentation](#) provided by Bioenergy. The energy source is considered environmentally friendly and carbon neutral. This is accurate based on several factors including if pellet shipping is a significantly short distance.

Request for Memorandum of Understanding

Bioenergy has been approaching NOSDA members and some have already signed a Memorandum of Understanding to explore biomass related opportunities with Bioenergy.

Commercial Bioenergy Inc. will do the following after the Memorandum of Understanding is signed:

- Assessment of existing Manitoulin Sudbury DSB Inventories by Commercial Bioenergy Inc.
- Feasibility Study - including project definition
- Prepare a Project Profile - including project implementation
- Review Project Profile with Manitoulin Sudbury DSB and propose any feasible projects to the Board.

Recommendation

Staff are recommending that the DSB sign the Memorandum of Understanding to proceed with feasibility studies. Staff will bring any legal agreements that need to be ratified to the Board before proceeding with any projects.