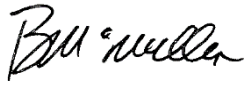




COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	April 19, 2022
SUBJECT:	Expression of Interest (EOI) for Low Carbon Economy Fund – Odour Management System Upgrade to the Central Compost Facility (CCF) (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

In support of the Council approved climate change action goals, staff has submitted an Expression of Interest (EOI) to Government of Canada's Champions stream of the Low Carbon Economy Fund.

The application has been submitted for the Odour Management System Upgrade project to the central compost facility (CCF). The project will support increasing annual processing capacity from 20,000 Metric Tonnes (MT) to 40,000 MT and will align with industry best practices. This, in turn, would allow the diversion of an additional 20,000 MT of organic materials from the landfill which will reduce greenhouse gas (GHG) emissions by 10,000 tonnes.

The project will include developing a request for proposal (RFP) document that will include the design, engineering and installation of a chemical scrubber and stack extension, as well as, all infrastructure, equipment and enclosures required to mitigate odours that result from aerobically composting food waste. The project will also require an amendment to the current Air and Waste Environmental Compliance Approvals (ECAs) issued by the Ministry of Environment, Conservation and Parks (MECP).

The CCF was constructed in 2006 using the most modern odour management approaches available at the time. However, in the last 16 years, there have been several advancements with regard to odour management for facilities aerobically composting food waste. This project will bring the City of Hamilton's CCF up to current industry best practices by utilizing updated technologies.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: Expression of Interest (EOI) for Low Carbon Economy Fund – Odour Management System Upgrade to the Centralized Compost Facility (CCF) (City Wide) – Page 2 of 3

Staff is currently determining the cost for this project, but at this time, the estimated project cost for the purposes of this EOI is \$20 M and would be eligible to receive \$8 M or 40% in federal funding if the application is successful. This project is currently identified in Waste Management's 10-year capital plan and with this funding, the project can be accelerated subject to identification of funding for the City's share, approximately \$12 M of the project (60%).

The EOI does not bind the City to the project at this point and should the project be deemed eligible, a report will be submitted to Council to seek their support to pursue a formal proposal for this project and to recommend a funding strategy for the City's share of the project costs.

Background

The Low Carbon Economy Fund supports energy-efficiency projects across Canada, helping Canadians and businesses reduce greenhouse gas emissions and save money by lowering energy bills. The Champions stream of the Low Carbon Economy Fund was launched in 2018 with up to \$450 M available for eligible applicants. Of that amount, over \$200 M is available for a second round of applications for greenhouse gas (GHG) emission-reducing projects.

On January 27, 2022, the Minister of Environment and Climate Change, the Honourable Steven Guilbeault, announced that the second round of applications is open for \$200 M through the Low Carbon Economy Funds' Champions stream, which supports a wide range of local pollution-cutting initiatives in communities across Canada.

Champions stream investments support municipalities, businesses, not-for-profit organizations and Indigenous communities to develop and implement transformational projects that significantly reduce their greenhouse gas emissions, create good jobs and contribute to Canada's 2030 emissions reduction target.

This second round of applications will build on the results for communities that the Fund has already delivered. Projects like these, funded under the Champions stream, are necessary for Canada to achieve its climate goals by reaching a cumulative reduction of over 24.5 mega tonnes of greenhouse gas emissions, equivalent to cutting a year's worth of energy emissions from approximately 5.7 million homes. While reducing carbon pollution, these projects will create good, middle-class jobs and build community resilience to climate change.

Investments in climate action initiatives like this reaffirm the Government of Canada's commitment to delivering a cleaner, safer environment while building a stronger economy.

SUBJECT: Expression of Interest (EOI) for Low Carbon Economy Fund – Odour Management System Upgrade to the Centralized Compost Facility (CCF) (City Wide) – Page 3 of 3

The Government of Canada was accepting EOIs for the new Champions stream until March 25, 2022. Applicants can request between \$1 M to \$25 M in funding for eligible expenditures with a cost share of 25% to 75% of total project costs and 40% for municipal projects.

More information is available at the [Low Carbon Economy Challenge](#) website.

TT/dt