

FOR RECOMMENDATION

CONFIDENTIAL

***IN CAMERA* SESSION**

TO: UTSC Campus Council

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PRESENTER: Andrew Arifuzzaman, Chief Administrative Officer
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DATE: Wednesday, November 22, 2017

AGENDA ITEM: *Additional Item (In Camera)*

ITEM IDENTIFICATION:

Capital Project: Greenhouse Gas Campus Retrofits Program (GGRP), Total Project Cost and Sources of Funding

JURISDICTIONAL INFORMATION:

Under the *Policy on Capital Planning and Capital Projects*, proposals for capital projects over \$5 million and up to \$20 million must be considered by the appropriate Boards and Committees of Governing Council on the joint recommendation of the Vice President and Provost and the Vice President, University Operations. The Planning and Budget Committee will consider projects at the St. George campus and the respective Campus Affairs Committees and Campus Councils will consider projects at University of Toronto Mississauga and University of Toronto Scarborough and recommend them to the Academic Board for consideration. Normally, such projects will be placed on the Board's consent agenda and be confirmed by the Executive Committee of the Governing Council. Execution of such projects is approved by the Business Board.

If a project will require financing as part of the funding, the project proposal must be considered by the Business Board.

GOVERNANCE PATH

A. Project Planning Brief

1. UTM Campus Council [for recommendation] (November 21, 2017)
2. **UTSC Campus Council [for recommendation] (November 22, 2017)**
3. Academic Board [for recommendation] (November 23, 2017)
4. Business Board [financing, for recommendation] (November 27, 2017)
5. Executive Committee [for endorsement and forwarding] (December 5, 2017)
6. Governing Council [for approval] (December 14, 2017)

B. Execution of the Project

1. Business Board [for approval] (November 27, 2017)

PREVIOUS ACTION TAKEN:

No previous action taken.

UTSC Campus Council– Capital Project: Greenhouse Gas Campus Retrofits Program (GGRP), Total Project Cost and Sources of Funding

HIGHLIGHTS

The three GGRP funds are described in the open session cover document.

SINGLE-YEAR PROJECTS

UTSC has been allocated a total of \$7 million by MAESD: \$3.5 million from the Retrofits Grant Fund for Cap and Trade Non-Participants and \$3.5 million from the Interest-free Loan Fund. UTSC will be utilizing the Retrofit Grant Fund for Cap and Trade Non-Participants to focus on GHG reduction directly via reduction of heating demand in its highest heating demand density areas. In addition, transitioning from the current medium of steam to hot water in these areas will allow for future renewable energy options. UTSC will use the Loan Fund to execute a series of electricity related demand reduction projects including LED retrofits focusing on areas with long operating hours to ensure utility recovery payback.

MULTI-YEAR PROJECTS

UTSC planned to distribute energy to the North Campus along with solar arrays and other measures, which will be determined as business cases are developed. The concepts will include linking building hot water systems (distributed energy) that allow for heat to be distributed and balanced across buildings during peak load production. In addition to the 1800 solar arrays currently on the campus, UTSC will continue to explore additional solar arrays, for both production of electricity and hot water, on existing buildings as well as new construction projects. These innovations will strive for research, evaluation, and business partnerships with Centennial College and our Department of Physical and Environmental Sciences at UTSC.

NEXT STEPS

Achieving successful completion within the timeframe allowed for the grant funded projects will require them to be executed in an efficient manner. Generally, this will mean that multiple initiatives in any given building or multiple projects of the same type will be bundled together as a “project” for the purposes of both design and construction. Of particular note, the project to upgrade the Central Utilities Plant boiler has already commenced but is able to take advantage of the Retrofits Grant Fund as it is available for projects retroactive to April 1, 2017.

Project specifics will be brought back to UTSC Campus Council for information.

UTSC Campus Council– Capital Project: Greenhouse Gas Campus Retrofits Program (GGRP), Total Project Cost and Sources of Funding

FINANCIAL IMPLICATIONS

a) UTSC total project cost to March 31, 2019

The proposed Total Project Cost (TPC) estimate for the UTSC project is \$7,000,000

Funding Sources: The funding sources are as follows

Greenhouse Gas Campus Retrofit Interest-Free Loan Fund	\$3,500,000
Retrofits Grant Fund for Cap and Trade Non-Participants	<u>\$3,500,000</u>
Total	\$7,000,000

RECOMMENDATION:

Be It Recommended,

THAT the University of Toronto Scarborough Greenhouse Gas Campus Retrofits Program with a total project cost of \$7,000,000 be approved, to be funded as follows:

1. Greenhouse Gas Campus Retrofit Interest-Free Loan Fund	\$ 3,500,000
2. Retrofits Grant Fund for Cap and Trade Non-Participants	<u>\$ 3,500,000</u>
Total	\$7,000,000

DOCUMENTATION PROVIDED:

N/A.