



# MEMO

**To:** Public Service Committee  
**From:** Bill Goulding, Acting Director of Public Works  
**Date:** May 11, 2023  
**Subject:** ESCO Project Update

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On March 27, 2023, Council directed staff to engage with Johnson Controls Inc. to begin the process of evaluating the energy consumption of municipal facilities, with an intent to identify and upgrade projects that could be financed through money made available by future energy savings.

During the fall of 2022, Johnson Controls Inc. performed a preliminary energy analysis that indicated that there was the potential to save approximately 20% of the City's facilities energy costs overall.

Representatives from Johnson Controls came to Elliot Lake on April 25<sup>th</sup>, 26<sup>th</sup>, and 27<sup>th</sup> to perform on site inspections of prospective municipal facilities. Since that time their engineers have been evaluating the potential of various projects in anticipation of presenting options to Council for review. This process continues, and has been undertaken at Johnson Controls expense.

The preliminary results of this assessment indicate that the greatest potential for facilities improvements that are able to finance through energy savings involve projects at the City's water and wastewater facilities.

Johnson Controls has identified many other opportunities to save energy at the various other municipal facilities, but early indications are that there are likely to be few projects at these locations that can be solely financed through future energy savings.

Given this situation, the next logical step would be to create a comprehensive plan that identifies the opportunities for energy savings that can be incorporated into the City's future asset management planning. The intent would be to use this information, perform ongoing required facilities upgrades and maintenance in the most energy efficient way possible in order to reduce operations costs moving forward. Having a plan such as this would allow the City to access funding and grants for forthcoming capital upgrades to facilities.

Grant funding is available for this type of study, and staff is working with Johnson Controls to evaluate the prospect of doing this further assessment in a way that can be supported by that funding.

Staff will report back to this committee when potential projects are identified where Johnson Controls can be engaged as an ESCO, and when the particulars of available grant funding for a more comprehensive energy study are known.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bill Gabler". The signature is fluid and cursive, with a long horizontal stroke extending to the right.