



Federal energy contract reduces costs greens supply

by Summit staff

IN ORDER TO accurately predict the federal government's energy use, Public Works and Government Services Canada (PWGSC), collected energy usage data from various departments. The data afforded the department the means to approach energy suppliers for a deal that would consolidate the needs of many departments and reduce costs, as well as make an impact on the environment by requiring "green" energy be part of the supply. As a result, just over two years ago, PWGSC reached an agreement with Alberta-based ENMAX Energy Corporation that came into effect January 2007.

According to a PWGSC publication, "Benefits of the contract include consolidation of electrical energy needs, lower prices, budget

predictability and the ability to alter energy loads over a long term. The new agreement also includes a requirement for approximately 15 percent of the total power supplied to be provided in the form of "green" electrical energy. This gives departments and agencies the option to purchase increased levels of energy produced in a fashion that is less harmful to the environment. ...Over the course of 10 years, savings may reach \$54.8 million, depending on fluctuations of the energy market."

PWGSC Regional Communications Officer Chris Konski, says that "In order to ensure that 15 percent of the energy supplied is from "green" electrical energy sources ... the process is as follows: An independent auditor

verifies the contractor's billing records, obtains, and retains copies of operational records pertinent to the substantiation of the environmental attributes delivered and invoiced. The contractor is to certify, quantify, and report on the transfer of ownership of the environmental attributes and will also verify these environmental attributes and emissions reductions via reconciliation and reporting process. The contractor shall annually transfer ownership of these verified emission reductions and will issue certificates indicating this transfer, following reconciliation with the contractor's supplier of environmental attributes."

Environmental attributes or green electrical energy attributes purchased under this agreement are wind generated. Green electrical energy is defined as electrical energy generated and supplied into the Alberta interconnected electrical system arising from emerging renewable energy sources having low environmental impact.

Eleven departments have signed on to the agreement:

- Agriculture and Agri-Food Canada
- Canada Border Services Agency, Waterton, AB
- Canadian Food and Inspection Agency
- Correctional Services of Canada
- Department of National Defence
- Environment Canada
- Health Canada

- Natural Resources Canada
- Parks Canada Agency
- Public Works and Government Services Canada
- Royal Canadian Mounted Police

Three departments signed up for the purchase of "green" electrical energy:

- Public Works and Government Services Canada – 85 percent
- Agriculture and Agri-Food Canada – 35 percent
- Canadian Food and Inspection Agency – 35 percent

According to Konski, "All departments and agencies in Alberta that typically have their electrical energy needs provided by the Alberta energy grid are part of this contract. Other departments or additional locations not part of the electricity contract are those in remote locations that do not get their electricity from the Alberta grid. They use other methods such as solar and/or stand-alone generators to generate electricity.

If loads increase, or another department wants to become part of the contract, there is a provision to add the additional load with a rate to be renegotiated with the service provider. At this time, there are no plans to negotiate other agreements on behalf of a collection of departments during the next one to five years, as the current agreement has completed two of its 10 years." 

Additional information/definitions

Emerging Renewable Energy Source means: wind, sun, or water, hereinafter referred to as Source A, and biomass (including methane), hereinafter referred to as Source B, where the electricity is generated from emerging and innovative applications, and where the turbine size of eligible hydro plants is 2 megawatts

(nameplate) or less each, or, if the unit size is more than 2 megawatts each, the total hydro plant capacity (nameplate) is less than 50 megawatts; and, the electrical energy generated results from:

- plant refurbishment leading to an increase in production, such as plant

automation, equipment improvements using computational fluid dynamic (CFD) optimization; or

- innovative applications such as wastewater treatment plant outfalls, pressure relief valves in water supply systems, irrigation canal drop

- structures, special tunneling techniques, siphon intakes and hybrid energy systems; or
- innovative turbine-generator units such as low head (with head less than 15M), pump as turbine and variable speed units.

Eligible biomass waste technologies include:

- gasification;
- two-stage combustion

- (sometimes called gasification);
- fluidized bed combustion, combustion system with a modern (novel) air system
- a system involving biomass drying and suspension firing; or

- Methane produced:
 - from municipal solid waste in landfill sites; or
 - anaerobic fermentation using the treatment of municipal sewage or animal manure.

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