

Attachment #1

Climate Action Reserve Fund Summary Presentation
- Utility Commission Slides September 2022

The background is a light blue gradient with several realistic water droplets of various sizes scattered across the surface. The droplets have highlights and shadows, giving them a three-dimensional appearance.

CLIMATE RESERVE

UTILITY COMMISSION UPDATE & ROUNDTABLE

BYLAW NO. 8321, 2022

COUNCIL APPROVED IN JUNE

CORPORATION OF THE CITY OF NEW WESTMINSTER

Climate Action Reserve Fund Bylaw No. 8321, 2022

A Bylaw to establish a Reserve Fund in support of the City of New Westminster's commitment to greenhouse gas reduction targets for the City's corporate operations and the community.

WHEREAS Section 188 (1) of the *Community Charter* states that a council may, by bylaw, establish a reserve fund for a specified purpose and direct that monies be placed to the credit of the reserve fund;

AND WHEREAS the City of New Westminster is a signatory to the B.C. Climate Action Charter to reduce corporate and community energy and greenhouse gas emissions;

Establishment of Fund

4. The Climate Action Reserve Fund is established to receive funding to provide investments in one-time funding for both Capital and Operating investments to accelerate climate mitigation and adaptation projects, actions and initiatives that target energy and greenhouse gas reductions associated with City lands, facilities, or infrastructure, or Community services or infrastructure, including but not limited to the following:

- a) The planning for and completion of regional or local energy reduction or conservation projects and initiatives;
- b) The creation and implementation of climate mitigation and adaptation strategies, policies, and other related initiatives;
- c) The creation and implementation of infrastructure projects that will result in measurable emissions reductions in support of the City's obligations under the Low Carbon Fuel Standard;
- d) The sale and transfer of low carbon fuel credits; and
- e) The provision of a mechanism to manage and track these funds and measure their impact on the corporate and community levels.

Municipalities role vs funds available:

- Bold Climate Action, yet limited funds
- Existing City Reserves limited to existing asset replacements
- Incremental Funds required for new investments/enhancements
- Ongoing operating impacts need to be accommodated in the long-term tax and utility rates – service the reserves and plan for asset replacement in the future (climate resilient assets)
- This funding can support the delivery of the City's 5 year plan as a one time investment or grant/incentive
- Business Case should be approved – max GHG reduction and carbon credits potential with 5-8 year pay back.

5 YEAR CAPITAL PLAN

Bold Climate Action – over \$100M in unfunded proposed Capital Investments

- District Energy
- Electric Vehicle Infrastructure – Public and Civic
- Electric Fleet
- Natural Assets
- Infrastructure/Facilities
- Public Incentives
- Climate Planning

Funded from the Electrical Reserve – Automated Meters

Funded from Debt – QB Substation

Unplanned – New Substation(s) – Growth Strategy

Unplanned – Flood Resiliency & Climate Mitigation (EOC Funding)

DECISION MAKING FRAMEWORK

NEW ASK FOR 2023 CAPITAL PLAN AND BUDGET:

- **CLIMATE ACTION DECISION MAKING FRAMEWORK \$50K**
- VALUE FOR MONEY: SUPPORT FOR BUSINESS CASE APPROVAL:
 - GREENEST BANG FOR OUR BUCK – MAX GHG REDUCTION
 - GATES: ORGANIZATION READINESS, PUBLIC READINESS, MARKET READINESS, ETC.
 - RETURN ON INVESTMENT/PAY BACK MODEL/ONGOING OPERATING IMPACTS
 - STRUCTURED APPROACH TO MANAGING THE CLIMATE FUNDS