

# Peel Renewable Natural Gas Centre

## Anaerobic Digestion Facility Project

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# Project Background

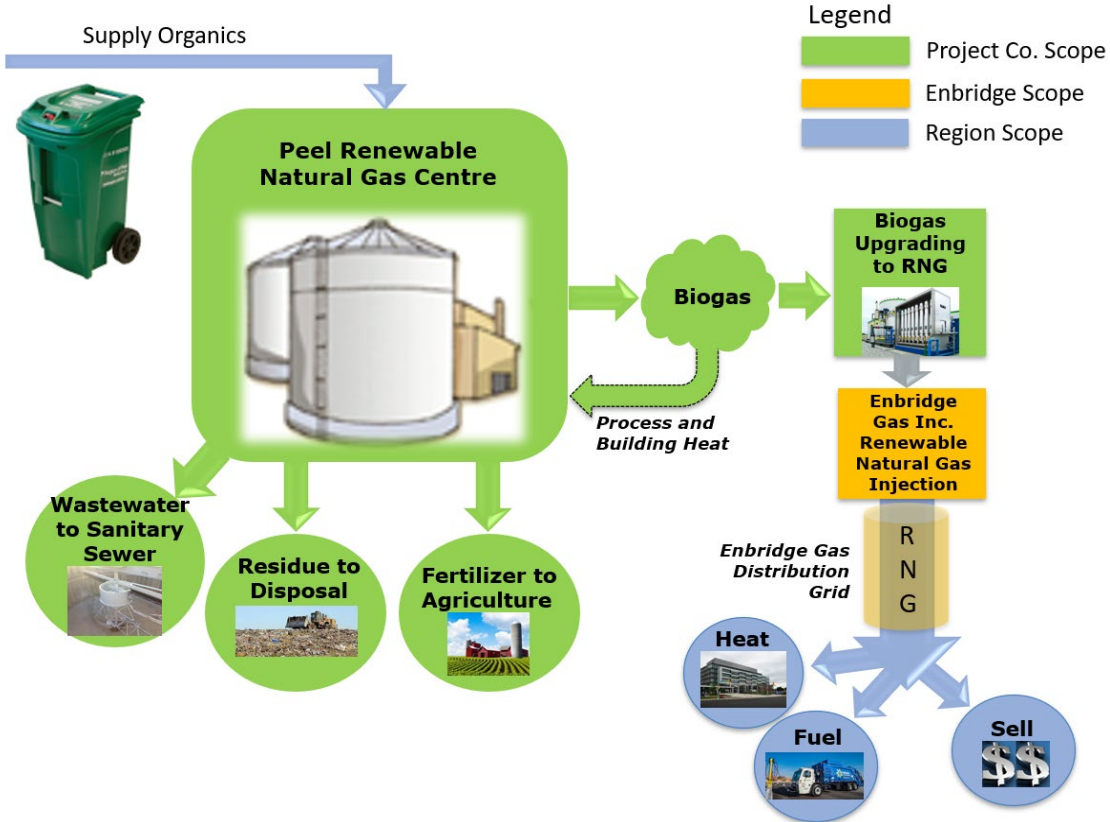
- In 2017, Regional Council approved the development of an Anaerobic Digestion Facility (the Peel Renewable Natural Gas Centre) as part of the Region's long-term waste management strategy
- In 2017, Regional Council approved the Project's strategic terms
- In 2019, Regional Council approved the acquisition of 125 Orenda Rd. in Brampton where the facility will be built

# Technical Project Description

The successful proponent (Project Co.) will:

- Design, build, commission 90,000 tonnes per year
- Operate and maintain for 15 years + 5-year extension
- Process organics to produce certified fertilizer and RNG
- Market certified fertilizer
- Pre-treat wastewater and discharge it under a Surcharge Agreement
- Manage residue
- RNG to be injected into the Enbridge system

# Project Overview



# Project Benefits

- Replaces existing aging composting infrastructure
- Improved contaminant removal allows addition of diapers and pet waste
- Produces certified fertilizer for established markets
- Helps achieve Peels 75% diversion target and Provincial organics diversion targets
- Produces RNG that can be used or sold by Peel
- Supports the Region's Climate Change Master Plan

# Procurement Process

- Competitive procurement process
  - Request for Prequalification
  - Request for Proposal
  - Designated single point of contact
  - Commercially confidential meetings
- Contract to be awarded at Regional Council

# Procurement Timeline

Procurement Milestone	Date	Status
RFP/PA V1.0 Issued	Sept. 11, 2019	Complete
Commercially Confidential Meetings	2019-2020	Complete
RFP/PA V5.0 Issued	February 12, 2021	Complete
Technical Proposal Submission Date	March 23, 2021	Complete
Financial Proposal Submission Date	May 7, 2021	Complete
<b>Recommendation Report to Council</b>	<b>July 8, 2021</b>	<b>Pending</b>
<b>Target Financial Close Date</b>	<b>September 2, 2021</b>	<b>Pending</b>
<b>Expiration of Proposal Validity Period</b>	<b>October 19, 2021</b>	<b>Pending</b>
Design, Permitting, Construction	2021-2024	Estimated
Commissioning	2024	Estimated
Operations	2024-2025	Estimated

# Procurement Next Steps

Next steps	Timeline
Evaluation of proposals	April – May 2021
Recommendation report to Council	July 8, 2021
Finalize and execute all agreements	October 19, 2021

- **Proposal validity period makes Council decision time sensitive**



# Enbridge Biogas Services Agreement

- Enbridge to inject RNG into natural gas distribution system.
- Peel entered into an agreement with Enbridge to:
  - complete a capacity assessment
  - preliminary design RNG injection station
  - prepare a cost estimate
- Staff negotiating a Biogas Services Agreement to be presented to Council for approval in July.

# Key Risks

Key risks identified in the report include:

- Utility cost increases
- Permitting
- Quantity and Quality of Organics

# Management of Risks

- Risk mitigation through service delivery and contract development
- Based on principle that risk is managed by the party best able to control and manage it cost-effectively
- The Region will retain or share risks that cannot be managed by Project Co.

# Next Steps

- Recommendation Report to Council July 8, 2021
- Award of Contract

# Thank you

Contact info:

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