

Peel Renewable Natural Gas Centre

Anaerobic Digestion Facility Project

Norman Lee,
Director, Waste Management
Region of Peel



Project Background

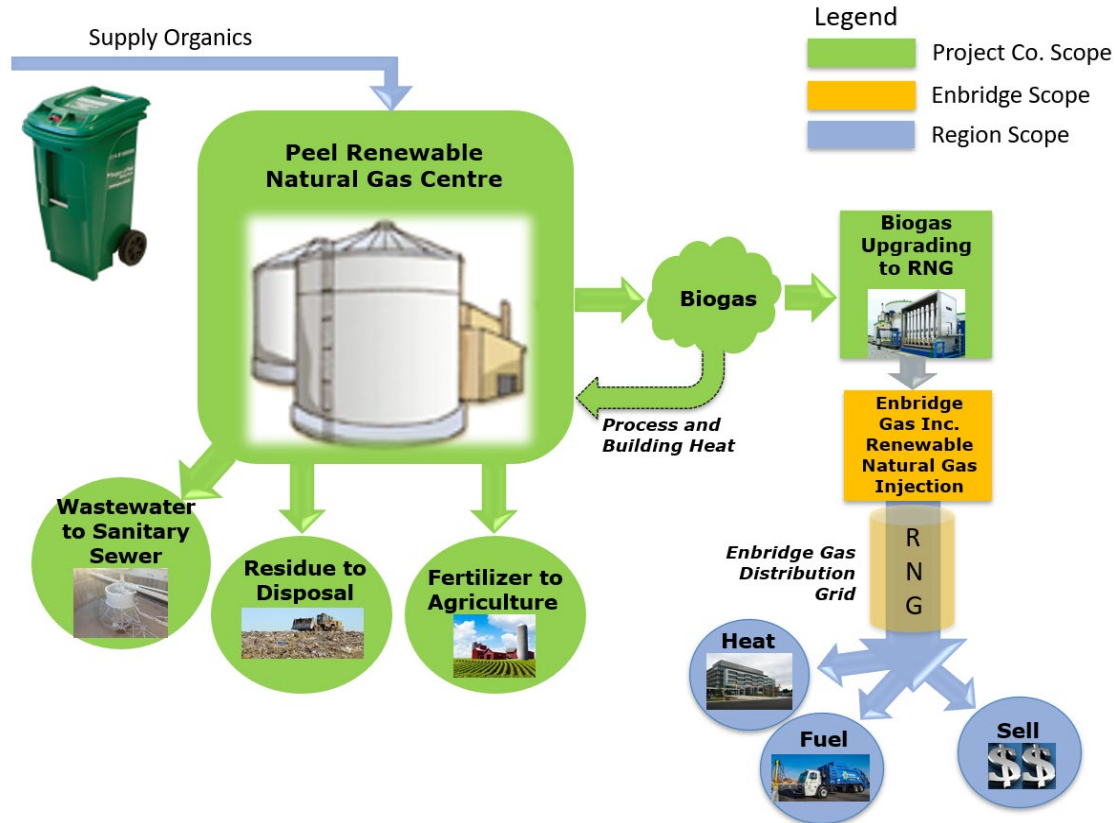
- In 2017, Regional Council approved the development of an Anaerobic Digestion Facility (the Peel Renewable Natural Gas Centre) as part of the Region's long-term waste management strategy
- In 2017, Regional Council approved the Project's strategic terms
- In 2019, Regional Council approved the acquisition 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 Peel's 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
Recommendation Report to Council	July 8, 2021	Pending
Target Financial Close Date	September 2, 2021	Pending
Expiration of Proposal Validity Period	October 19, 2021	Pending
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:

Region of Peel

Norman Lee

Director, Waste Management

10 Peel Centre Drive

Brampton, Ontario L6T 4B9

905-791-7800 ext. 4703

norman.lee@peelregion.ca

