

Respect

Excellence

Integrity

Leadership



NATIONAL CAPITAL AREA ENERGY SERVICES ACQUISITION PROGRAM



Public Works and
Government Services
Canada

Travaux publics et
Services gouvernementaux
Canada

Canada 

INNOVATIVE SOLUTIONS FOR TODAY'S ENERGY NEEDS

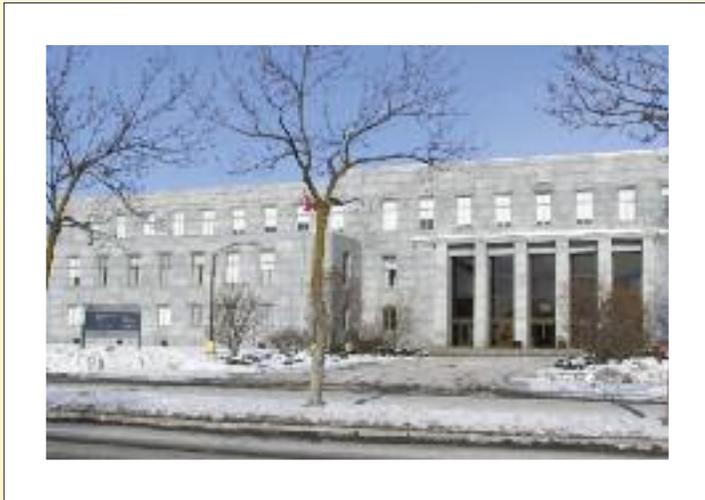


There was a time when those of us lucky enough to live in North America took energy for granted. That's changed. We know now that the resources we've been using are finite.

It's time to rethink how we meet our energy needs. We need 21st century technology and attitudes to meet our evolving needs. We need to transform the way we produce and distribute energy.

In Canada and around the world, there are already cities and businesses taking a leadership role in creating and implementing innovative energy solutions to meet their heating, cooling and electrical needs. The Government of Canada wants to learn from the experiences and successes of the private sector and use them as a guide to transform how energy services are delivered in the National Capital Area (NCA).

The federal government has launched the Energy Services Acquisition Program (ESAP) through Public Works and Government Services Canada (PWGSC). It is an ambitious program. Its objective: find a 'made-for-Canada' solution to meet the government's energy needs in the NCA in a secure, reliable, sustainable, environmentally and fiscally responsible manner.



THE TIME FOR TRANSFORMATION IS NOW

It's a tremendous technological challenge. Currently, PWGSC owns and operates seven centrally located plants that provide heating and air conditioning for more than 100 buildings in Ottawa and Gatineau. That's roughly 2 million gross square metres of office space. We provide enough energy to heat and cool 28,000 homes and distribute it through five networks made up of 12 kilometers of tunnels and 40 kilometers of pipeline.

The infrastructure is reaching the end of its life cycle. Major investments will be required to modernize it and improve its energy efficiency and environmental footprint.

Some of the plants that provide the heating and cooling services were built almost a century ago. The business of providing energy has changed significantly since these plants were built. Today, energy production and distribution is a rapidly evolving sector involving cutting-edge technologies.

The plants and distribution networks use natural gas as primary fuel, with oil as a backup fuel source. Cooling is provided by electricity or steam.

We are also considering the requirements of an additional 80 federal government buildings not currently on the system that could increase the size of this initiative by approximately one million square metres. A number of commercial and institutional buildings situated in downtown Ottawa and Gatineau could also benefit from participation in a growing market. They are potential clients of a long term arrangement.

We're looking for a solution that is cleaner, greener and more cost-effective. The federal government wants to acquire energy services through an innovative business arrangement, drawing on the expertise of leaders in the field. It wants to move from operating energy assets and delivering services towards service management. PWGSC wants to become an 'informed buyer' of energy services.

We've already established our commitment to sustainability. In April 2005, the government established the Office of Greening Government Operations. The greening of government operations encompasses a wide range of activities, including reducing energy resources consumption and reducing greenhouse gas and other air polluting emissions. PWGSC has committed to several environmental targets in its Sustainable Development Strategy, including examining opportunities to further enhance the environmental sustainability of its Real Property operations. To that end, we are constructing and retrofitting federal government buildings to meet the standards of LEED® and BOMA BEST. ESAP presents another such an opportunity.



“District energy is more than a technology; it has become a way of thinking for how to plan for energy reduction.”

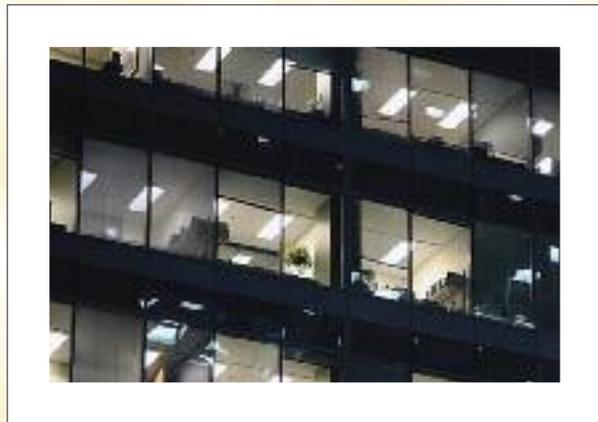
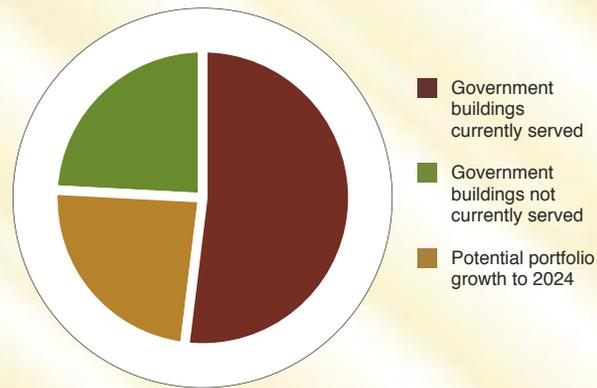
Brent Gilmour, Manager, Urban Energy Solutions Project, University of Calgary



We plan to raise the bar higher and find ways of heating and cooling federal buildings in an environmentally responsible way. ESAP is an important opportunity to green government initiatives.

REDUCING OUR ENVIRONMENTAL FOOTPRINT

Anticipated heating and cooling demand
(% based on gross square metres)



Businesses, cities and governments around the world are striving to find the best way to renew aging infrastructure, reduce emissions, as well as improve energy conservation and overall efficiencies while supporting the bottom line.

In the Nation’s Capital, it is essential that the solution be found soon.

The current system uses boilers that, although carefully maintained, are aging and reflect yesterday’s technology. Many of them need either a major refit or replacement. Operating this system is a big expense: about \$40 million a year. We’re looking for a new solution that will provide the best value for Canadian taxpayers.

By transforming the NCA’s heating and cooling system, the government will be able to significantly reduce its carbon footprint. In addition, a 21st century solution will offer the additional benefits of increased adaptability, flexibility and resilience for years to come.

BE PART OF THE SOLUTION

The challenges being addressed by the Energy Services Acquisition Program are many: increasing infrastructure recapitalization requirements; evolving business and policy requirements; and challenging environmental objectives.

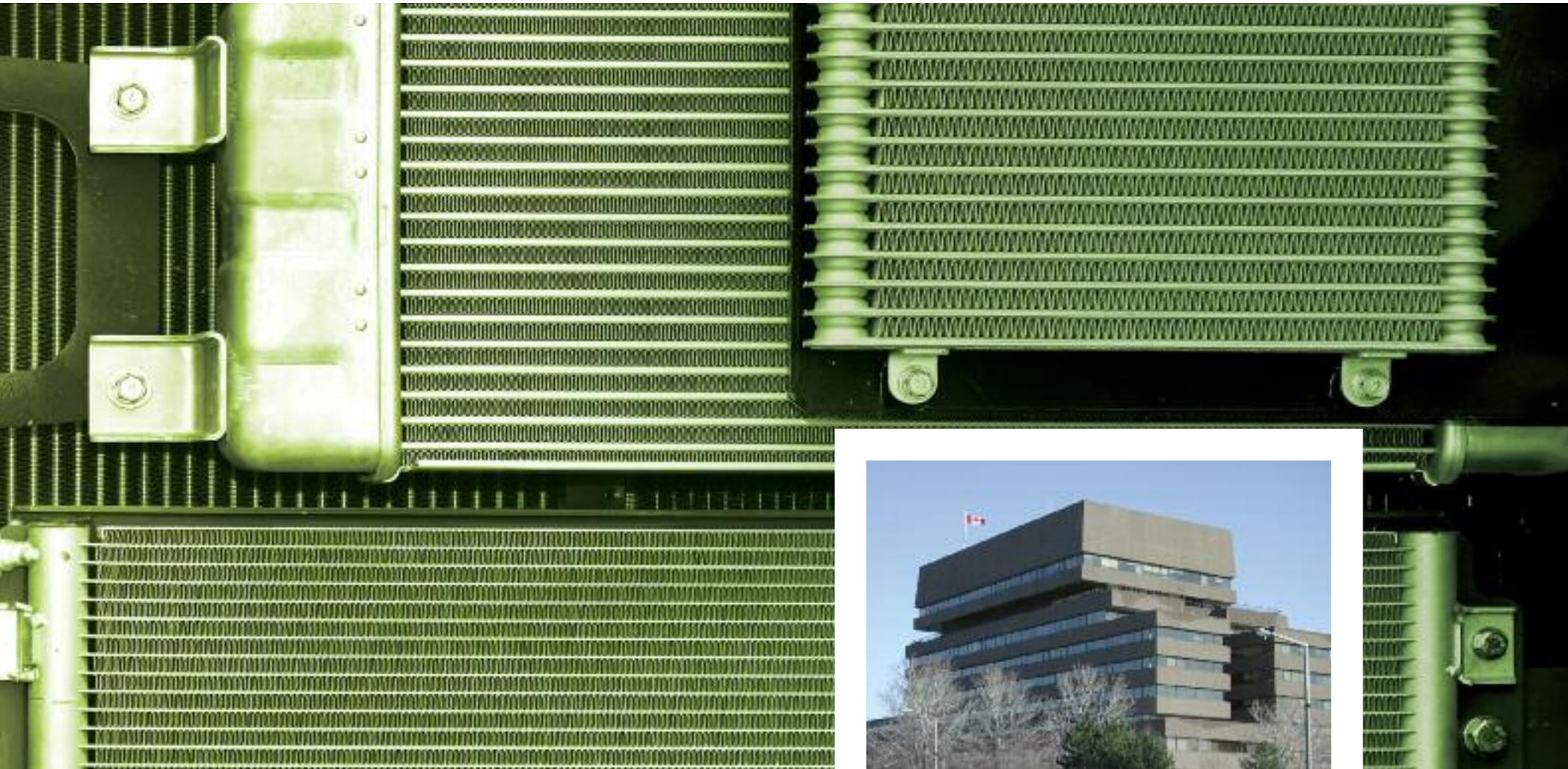
But ESAP is about opportunity too — the opportunity to participate in a new energy solution and a new business model that involves collaboration with other members of the community.

It’s a better way of working that will bring people together to solve this complex, multi-jurisdictional challenge. The key to our success will involve collaboration on many levels. ESAP aims to provide leadership in the search for energy solutions that could increase the capacity and sustainability of any city.

Today’s leading district energy systems include participation from business, science, city governments, utilities companies and institutions. PWGSC wants to collaborate with the private sector and benefit from its leading edge knowledge and practical expertise to efficiently deliver energy services. We are looking for partners who have that technical expertise as well as the vision and innovative thinking that make them leaders in their field.

“The heating, cooling and power supplied by district energy systems can help meet the growing energy needs of cities and businesses. When integrated with sound community planning and modern urban design strategies, district energy can contribute greatly to a renewed public realm.”

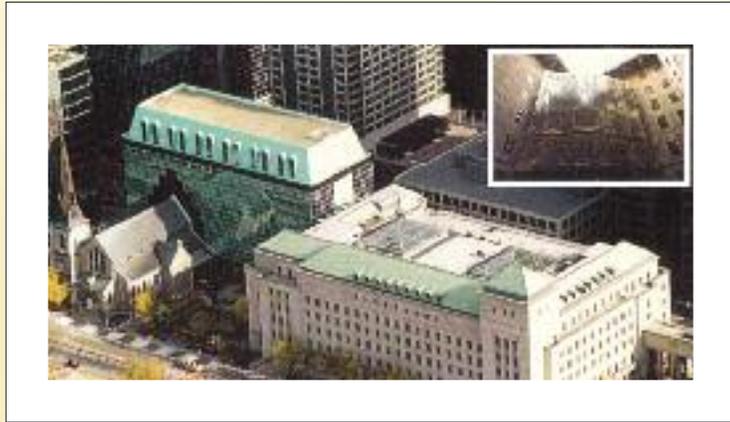
David Crombie, President and CEO of the Canadian Urban Institute



To maximize the benefit of this opportunity for people living in the NCA, for Canadian taxpayers and for the environment, ESAP must consider the broader energy and environmental context of the local communities.

We want to hear about your best ideas on new technology, new energy solutions, new business models, new ways of getting there — and work together to achieve them.

We want a resilient and sustainable solution, but it must be a secure solution. Many of the buildings currently served by PWGSC's energy systems are mission-critical to the functioning of government. Loss or interruption of service, even for a short period, is unacceptable. Security is our top priority. There can be no compromise on this issue.



A system that is energy efficient, environmentally sustainable, financially viable and secure with a high level of operational reliability that doesn't just meet current requirements but is built in such a way that it can be continuously improved — that's the type of solution we're looking for!

BUILDING AN ENERGY CORNERSTONE IN OUR COMMUNITY

Federal government policies may focus on the country at large, but its business activities constitute a major part of everyday life in the cities of Ottawa and Gatineau. ESAP is a major undertaking with the potential to make a significant contribution to the energy infrastructure of the downtown cores of both Ottawa and Gatineau. Transformation of the government's energy services opens up a whole range of new opportunities for businesses and stakeholders in the region.

In addition to providing new vitality to the NCA's energy services, ESAP will contribute to its sustainability, spark change, present new opportunities for efficiency and potentially attract new businesses to the region.

We want to participate in a competitive market for energy services. Economic efficiency is an important part of ESAP. We want input from companies of all sizes, from many people with a wide range of ideas.

We are also seeking a solution that respects and builds on the expertise that PWGSC employees working in these plants bring to their work. We are aiming for maximum value from existing assets, predictable capitalization and operating costs and the best value possible when establishing generation and distribution capabilities.

At PWGSC, being a good neighbour is more than a concept, it's a policy. This exciting 'neighbourhood improvement' represents a great investment opportunity for business.

While ESAP is focused on meeting the specific energy needs of the government buildings it currently serves, it reflects the possibilities that lie beyond the boundaries of its mandate. A number of commercial and institutional buildings situated in the vicinity of the existing plants could also benefit from a solution that considers community-wide needs. The business potential is promising.

*The time is now... join us to make the Nation's
Capital a greener capital.*

Email us at ESAP.PASE@pwgsc-tpsgc.gc.ca.

