

**Date:** March 28, 2025

**To:** **Mayor and Council.**

**Name and title:** Blake McIntosh, Director of Civic Operations

**Subject:** Downtown Renewable Energy System – Lakeland Energy Supply Agreement Bylaw No. 9542, 2025 and City of Prince George Energy System Bylaw No. 8471, 2012, Amendment Bylaw No. 9537, 2025

**Attachment(s):** City of Prince George Energy System Bylaw No. 8471, 2012, Amendment Bylaw No. 9537, 2025  
Lakeland Energy Supply Agreement Bylaw No. 9542, 2025

## Recommendation(s):

- 1) That Council give first three readings to “City of Prince George Energy System Bylaw No. 8471, 2012, Amendment Bylaw No. 9537, 2025”
- 2) That Council give first three readings to “Lakeland Energy Supply Agreement Bylaw No. 9542, 2025”.

## Purpose:

This report is before Council to provide information on the renewal of the energy supply agreement between the City of Prince George and Lakeland Mills Ltd and to give first three readings to Bylaw No. 9542, 2025. Additionally, the operating bylaw, “City of Prince George Energy System Bylaw No. 8471, 2012” has been included for several smaller amendments.

## Discussion:

The Downtown Renewable Energy System (DRES), formally known as the District Energy System (DES), established, a 10 year energy supply agreement with Lakeland Mills Ltd. and the associated Bylaw 8296 was approved by Council. The first supply date was June 25, 2012 and the term ended in 2022. The new term for thermal energy supply retroactively commenced on July 1, 2022 and continues until December 31, 2026 with two additional renewable years for 2027 and 2028.

## Strategic Priorities:

The Downtown Renewable Energy System supports myPG Environment pillar through the goals of Green City, Green Practices and Reduce Carbon Emissions and Adapt for Climate Change.

## Financial Considerations:

The cost of the supply is the largest expense of the DRES (over 50%). In order to maintain the system’s current level of financial viability, Bylaw 9537 includes annual rate increases of 5% to match the 5% supply increases from Lakeland.

Additionally, there is a change to late payments. The previous bylaw had a \$100 flat charge which is not enough of a deterrent for large bills. The late charge has been changed to 5% to scale with the amount of the bill and to align with the late charges for other utilities such as sewer, water and solid waste.

**Summary and conclusion:**

Bylaw No. 9542 is submitted for first three readings to authorize the City of Prince George to enter into an energy supply agreement with Lakeland Mills Ltd.

Bylaw No. 9537 is submitted for first three readings to amend the operating bylaw for the City of Prince George Energy System.

**Respectfully submitted:**

Blake McIntosh, Director of Civic Operations

**Approved:**

Walter Babicz, City Manager

Meeting date: 2025/04/07