



## STAFF REPORT

To: Board of Management

From: Robin D. Hale  
Chief Operating Officer

Subject: **ZOOSHARE BIOGAS FACILITY - UPDATE**

Date: 2016-03-30

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### **Summary:**

This report updates the Board on developments related to the significant progress of ZooShare Biogas Co-operative Inc. (ZooShare) in relation to the planned construction of a biogas facility on the lands leased to ZooShare by the Board.

### **Recommendation:**

**It is recommended that this report be received for information.**

### **Background:**

The Board of Management has committed their support of the concept of the Biogas facility since it was initially proposed. As such, on 2011-06-09, the Board of Management authorized staff to enter into the necessary ground lease and operating agreements to permit the use of Zoo managed lands by a third party, ZooShare Biogas Co-operative Inc., in building a 500kW biogas facility.

The ground lease and operating agreements were executed on 2012-08-16. Due to the many regulatory approvals required in relation to the facility and delays in the project's development, it was necessary that ZooShare submit two (2) subsequent requests (2014-05-01 and 2015-02-25) to the Board for approval to adjust key milestone dates in the agreements.

### **Comments/Discussion:**

Since the execution of the Ground Lease and Operating agreements, ZooShare has proceeded responsibly in their efforts to move the project forward in an expeditious manner. ZooShare has regularly communicated with all stakeholders (Toronto Zoo, Toronto and Region Conservation Authority, Parks Canada, Ministry of the Environment, Ontario Power Authority, etc.) and has responded to their various information requests immediately. Although many delays related to receiving regulatory approvals for the Feed-in Tariff (FIT) contract from the Ontario Power Authority and approval of the Renewable Energy Approval (REA) from the Ministry of the Environment and Climate Change were experienced and severely impacted the projected timelines for the project, these key milestones have been now been achieved and has enabled ZooShare to move forward at an accelerated pace. For your information, the following chronology summarizes the major milestones achieved by ZooShare as the organization moves towards the realization of the biogas facility as an alternative source of energy.

### **Summary of Key Milestones and Events:**

- October 2010 - ZooShare submits a proposal to the Toronto Zoo to construct a 500 kilowatt, community owned biogas plant on TRCA lands managed by the Zoo;
- December 2010 - the Board and ZooShare sign a Memorandum of Understanding to develop project and enter into a ground lease and operating agreement;
- June 2011 - Board approval received authorizing staff to negotiate and sign a Ground Lease and Operating Agreement with ZooShare;
- August 2012 - Execution of Ground Lease and Operating Agreement between the Board and ZooShare;
- June 2013 - ZooShare successfully executes a Feedstock Supply Agreement with Canada's largest grocery retailer;
- July 2013 - Receipt of FIT contract offer (primary driver of the entire project) & Issuance of \$500,000 in Founders Club bonds to fund development expenses;
- October 2013 - ZooShare issues 7% Community Bond offering to individual Ontarians;
- March 2015 - Fully subscribed closing of \$2.2 million 7% Community Bonds;
- March 2015 - received Connection Impact Assessment (CIA) approval from Toronto Hydro (permission to connect to the grid);
- August 2015 - received Renewable Energy Approval (REA) from Ministry of Environment and Climate Change;
- October 2015 - ZooShare issues secondary offering of 5% Community Bonds - (over \$400,000 raised to date towards a target of an additional \$2.2 million);
- November 2015 - ZooShare executes MOU with its preferred engineering and construction partner;
- February 2016 - Application submitted by ZooShare for building and site permits based on 30% completed design of plans for facility;

### **Upcoming milestones:**

- April 2016 - Groundbreaking ceremony at the site;
- April 2016 - Completion of project design and execution of Engineering, Procurement and Construction agreements;
- May/June 2016 - Initiation of site preparation and construction;
- December 2016 - Commissioning of Biogas Facility;
- January / February 2017 - Commencement of commercial operations.

Regardless of the delays experienced, the ZooShare Biogas Facility is now positioned to become a reality in early 2017. It fits well with the Zoo's vision and new Strategic Plan, and is also consistent with the Zoo Green Plan and the Zoo Wildlife Conservation and Sustainable Living Plan (2011) and will ultimately provide funding originally anticipated by the Zoo once operational.

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R. D. Hale  
Chief Operating Officer