



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance and General Manager, Durham Region Transit
Report: #2024-F-14
Date: June 11, 2024

Subject:

E-Mission Zero – Approval to Execute an Agreement with PowerON Energy Solutions LP for Durham Region Transit's Electrification Infrastructure

Recommendations:

That the Finance and Administration Committee recommends to Regional Council:

- A) That the negotiated Principal Agreement with PowerON Energy Solutions LP ("PowerON"), a subsidiary of Ontario Power Generation Inc., for engineering, procurement and construction of electrification infrastructure (the "EPC Work"), associated operating and maintenance services (the "O&M" Work); and the services related to the ongoing management of the electrification program and assets (the "Program Management Work"), aligned with the attached confidential Term Sheet, to support the Durham Region Transit Fleet Electrification Plan, be approved. The framework of the Agreement includes the following:
- i. A Principal Agreement that defines the relationship between the parties, electrification program requirements, fee structure, financial management, terms and conditions; and
 - ii. Supplementary Project Forms, initiated on an as-needed basis for approved electrification capital projects with prior approved financing, which, when completed, detail the scope of work, workplan, and cost for EPC Work, O&M Work and Program Management Work to be provided under the Principal Agreement;
- B) That the Commissioner of Finance be authorized to execute the Principal Agreement for the provision of EPC Work, O&M Work and Program Management Work with PowerON and any ancillary documents, subject to the following requirements:
- i. That the initial term be for five years, with the option to renew for an additional three, five-year terms, (for a total period of up to 20 years), subject to compliance with terms under the Principal Agreement and future funding approvals;

- ii. That the Principal Agreement aligns with the confidential Term Sheet (Attachment #1) and the partnership framework outlined in Recommendation A; and
 - iii. Terms being satisfactory to the General Manager of Transit and the Regional Solicitor; and
 - C) That the Commissioner of Finance, in consultation with the General Manager of Transit, be authorized to execute any supplementary Project Forms to the Principal Agreement, as completed, subject to:
 - i. Prior Council approval of the capital project and associated financing; and
 - ii. Scope of work falling entirely within Schedule A of the Term Sheet for the initial five-year term of the Principal Agreement.
-

Report:**1. Purpose**

- 1.1 This report seeks approval to execute the Principal Agreement with PowerON based on satisfactory outcomes from negotiations and alignment with all previous conditions. This report outlines the general principles to deliver and manage the electrification infrastructure and related services required to support Durham Region Transit's Fleet Electrification Plan and seeks approval to execute supplementary Projects Forms to the Principal Agreement consistent with the terms outlined in the report.

2. Background

- 2.1 In August 2021, the Region launched the E-Mission Durham program, which is focused on creating a cleaner, low-carbon future by supporting and empowering Durham residents in making the transition to lower and zero emission vehicles.
- 2.2 Supporting the E-Mission Durham program, Durham Region Transit developed the E-Mission Zero strategy which includes a suite of emission-reducing initiatives intended to deliver a more sustainable network of vehicles, infrastructure and facilities over the next 25 years.
- 2.3 In June 2022, Council endorsed Durham Region Transit's E-Mission Zero – Fleet Electrification Plan to transition the Transit fleet vehicles to zero emission technologies by 2037, with the procurement of electric buses starting in 2024, and referred the Plan to Durham Region Transit's long-term servicing and financing strategy.

- 2.4 The Fleet Electrification Plan committed to assessing options on the procurement approach for infrastructure upgrades and energy services by considering the best value in total cost of ownership and operational efficiencies. Staff recommended that Durham Region Transit focus on operating buses and investigate options to deliver and manage infrastructure upgrades, and operations and maintenance of charging infrastructure.
- 2.5 On March 1, 2023, Council approved the Transit Service and Financing Strategy (2023 – 2032), which identified projected investment requirements for the Electrification Plan within the broader context of Transit's comprehensive capital and operating pressures over the next ten years.
- 2.6 In March 2023, Durham Region executed a credit agreement with the Canada Infrastructure Bank (CIB) for up to \$62 million in low interest debt financing for the purchase of 98 electric buses.
- 2.7 In April 2023, staff submitted an application to Infrastructure Canada, under the Zero Emissions Transit Fund (ZETF), seeking federal funding to support the Fleet Electrification Plan. To date, the Region has not received a decision on its funding application. Eligible expenses for approved ZETF projects or initiatives must be incurred and submitted by March 2026.
- 2.8 On October 4, 2023, the Transit Executive Committee approved in principle a partnership framework with PowerON and authorized the negotiation of the Principal Agreement ([Report #2023-DRT-23](#)). Through the Report, staff committed to returning to Finance and Administration Committee for approval to execute the Principal Agreement, subject to conditions. This report describes the intent of the original conditions and how they have been achieved.
- 2.9 [Report #2023-DRT-23](#) included a confidential Term Sheet which described the fundamental principles and parameters to guide the negotiations and establish the commercial terms for the Principal Agreement.

3. Previous Reports and Decisions

- 3.1 In November 2019, Regional Council approved a pilot program for the purchase of up to eight electric buses and associated charging infrastructure at a total cost of \$10.1 million to be financed from a one-time incremental Canada Community-Building Fund allocation (previously known as Federal Gas Tax fund ([Report #2019-COW-31](#))).
- 3.2 In September 2021, the Transit Executive Committee received a report titled E-Mission Zero – Towards Zero Emission Public Transit in Durham Region ([Report #2021-DRT-21](#)), which provided an overview of Durham Region Transit's commitment to transition to zero GHG emissions by advancing a coordinated suite of initiatives supporting the assessment and deployment of technologies to reduce GHG emissions from public transit in Durham.

- 3.3 In November 2021, Council approved the proposed strategy to implement Durham Region Transit's Electric Bus Charging Infrastructure Demonstration Pilot ([Report #2021-DRT-28](#) and [Report #2021-F-30](#)), including approval of an additional \$2.0 million from one-time Canada Community-Building funds to increase the total approved financing to \$2.9 million for the supply of electric bus charging equipment from Oshawa Power and Utilities Corporation (OPUC) and \$0.1 million one-time Canada Community-Building funds to finance the design and construction of facility upgrades to be performed by eCamion which are necessary to implement integrated charging and energy storage equipment.
- 3.4 In February 2022, Regional Council received the 2021 Annual Corporate Climate Change Action Plan Update ([Report #2022-COW-3](#)), which included an update on Durham Region Transit's 2020 GHG inventory and the short-term reduction forecast.
- 3.5 On June 29, 2022, Regional Council endorsed the E-Mission Zero – Durham Region Transit Fleet Electrification Plan ([Report #2022-DRT-10](#) and [Report #2022-F-16](#)) and referred the plan to Durham Region Transit's long-term servicing and financing strategy to be presented in advance of the 2023 Business Plans and Budget.
- 3.6 On March 1, 2023 Regional Council approved the Transit Service and Financing Strategy (2023 – 2032) ([Report #2023-F-5](#)), which identified projected investment requirements for the Electrification Plan within the broader context of Transit's comprehensive capital and operating pressures over the next ten years.

4. Fleet Electrification – Program Status

- 4.1 Durham Region Transit's first six electric buses are expected to be delivered in June 2024. As part of the first six bus program, Durham Region Transit established an agreement with Oshawa PUC Energy Services (OPUCES) for the design and installation of charging infrastructure, with a subsequent operations and maintenance agreement to be executed shortly. The project is expected to be completed in June to coincide with bus deliveries.
- 4.2 To support the scale-up to electrification of the transit fleet, there are further infrastructure upgrades, Durham Region Transit depot retrofits, and installation of charging equipment and energy systems (the "electrification Infrastructure") required at the existing Durham Region Transit depots, and potentially beyond.
- 4.3 The traditional project delivery model (design-bid-build) poses significant challenges for transit fleet electrification, including the unique complexities and long-term nature of the projects, limited timeframes associated with senior government funding programs, and the ability to align bus purchases and deliveries with fully constructed and commissioned electrical infrastructure.
- 4.4 In consideration of these complexities, Durham Region Transit evaluated a variety of options to deliver electrification infrastructure and maximize the benefits of transitioning to a zero GHG emission fleet (Figure 1).

Figure 1: Advantages and Disadvantages of Models to Deliver Fleet Electrification Infrastructure

	Design-Bid-Build ¹	Design-Build ²	Design-Build-Operate-Maintain ³	Energy-as-a-Service ⁴	DRT-PowerON: Framework for Agreement ⁵
Schedule	-	+	+	+	+
Early Cost Certainty	-	+	+	+	+
Price (Capital Costs)	+	+	O	O	O
Opportunity to Optimize Life Cycle Costs	-	-	+	+	+
Owner Control	+	-	-	-	+
Owner Risks	-	+	+	+	+
Overall Flexibility	-	+	O	-	+

Advantages (+), Disadvantages (-), No Significant Difference (O)

¹ Multiple entities responsible for project delivery, managed under separate contracts by owner. One for the architect/engineer and one for the builder. O&M is handled separately.

² A single entity responsible for both the design and construction of the project. O&M is handled separately.

³ A Single entity is responsible for the entire project lifecycle, including design, construction, operation, and maintenance.

⁴ An energy service provider develops, finances, installs, and operates the energy infrastructure on behalf of the owner. The owner pays for the energy consumed or the services provided, rather than investing Capital upfront in infrastructure development.

⁵ Similar to the design-build-operate-maintain model, however, the framework for the agreement model allows for delivery and O&M with multi-phase, multi-year projects, providing the owner with additional control and flexibility in a collaborative environment.

- 4.5 Based on the advantages and disadvantages of each model to best support the business needs of the Region and operational requirements of Durham Region Transit, the Framework for Agreement model provides significant benefits to the Region compared to traditional delivery models for capital projects.

5. Electrification Infrastructure Delivery – Principal Agreement

- 5.1 Durham Region Transit received an unsolicited proposal for turnkey electrification infrastructure services from PowerON, a wholly-owned subsidiary of Ontario Power Generation (OPG). The PowerON proposal included partnerships with Oshawa PUC Energy Services Inc. (OPUCES) and Elexicon Group (Elexicon) – local energy services companies which are wholly-owned subsidiaries of OPUC and Elexicon Corporation, respectively, to deliver operations and maintenance services for the Durham Region Transit fleet electrification program.
- 5.2 Under the proposal, the parties would enter into a Principal Agreement, with negotiated key principles to deliver the services, providing Durham Region Transit with a structured and strategic approach to delivering the electrification program in multiple phases, over a long-term horizon, that is aligned with the transit bus procurement schedule and other business needs.
- The Principal Agreement defines the services, roles, responsibilities, fee structure and other commercial terms that allow the parties to work together efficiently over the long-term duration of fleet electrification.
 - As project work is requested by Durham Region Transit, a subsequent work agreement (Project Form), supplementary to the Principal Agreement, will be developed to define the scope of work, deliverables, and total cost for work. The Principal Agreement regulates the work agreements, eliminating the need to negotiate additional contracts. In addition, as a control mechanism, the project budget and associated financing approvals must be in place prior to the execution of the Project Form, and the project must fall within the exclusivity clause of the Principal Agreement.
- 5.3 This partnership framework with PowerON is innovative in its approach while ensuring that the procurement process is competitive and achieves value for money. Similar partnerships have been implemented by the Toronto Transit Commission, Oakville Transit and OC Transpo/City of Ottawa with varying degrees of scope.
- PowerON has established and operates the only active Vendor of Record (VOR) program for transit electrification equipment and services in Canada. The VOR was established through an open Request for Proposal (RFP) process and uses pre-qualified vendors for each major service typically required for transit electrification projects, providing favourable terms on schedule reliability, supplier liability, warranty, and volume price discounts.

- PowerON complies with the Ontario Broader Public Sector Procurement Directive (BPS Directive), ensuring the VOR program utilizes an open, transparent and fair procurement process, and that the Region meets its municipal purchasing obligations. Further, this procurement program transfers execution and operational risk to PowerON.
- Under the proposed agreement, up to eighty per cent of the capital payments to PowerON flow directly to suppliers, using competitively procured equipment and services through the VOR framework or in alignment with the BPS Directive. This does not include the program management and operations and maintenance works specified in the Principal Agreement and supplementary Project Forms.
- The Principal Agreement is structured to comply with open procurement rules commonly associated with senior government funding programs and provides the Region with the flexibility to ensure infrastructure delivery complies with the requirements of the relevant government funding program (as highlighted under Recommendation A).

5.4 This model is aligned with the collaborative spirit of the partnership framework, offering the Region benefits with respect to transparency on actual costs for the equipment and services and pre-determined PowerON fees, as discussed in detail in the Financial Implications section and Confidential Attachments of this report.

- A cost-plus pricing model will be used to deliver the EPC Work and O&M Works, with open-book accounting, flow-through of costs on competitively procured equipment and services, and pre-determined PowerON fees applied to these costs and contingencies (where applicable).
- Once EPC Work is completed, Program Management fees will be charged by PowerON annually for the useful life of all infrastructure implemented under the agreement for program management services.
- Should PowerON deliver a capital project under the approved budget, including contingencies, cost savings are to be shared with PowerON, subject to certain limitations.

5.5 This arrangement is of a sole source nature because PowerON is uniquely positioned to provide efficient transit fleet electrification services while ensuring the Region complies with public procurement requirements through PowerON's VOR. The Region of Durham's Purchasing By-law #16-2020, Section 7.2 Limited tendering (sole/single source purchases) permits the acquisition of goods and services through limited tendering under specific circumstances outlined in Appendix "C" of the By-law. Section 1.1 of Appendix "C" permits sole source purchases where the goods or services can be supplied only by a particular supplier and no reasonable alternative exists.

5.6 There are inherent risks to pursuing a traditional model versus the proposed PowerON Framework for Agreement model. These risks include the following:

- Durham Region Transit would retain delivery and performance risks, integration risks, and risks related to the operations and maintenance of the equipment. In addition, there is currently a lack of internal expertise related to zero emissions electrification infrastructure of this size and magnitude. Engaging PowerON as a partner will ensure that Durham Region Transit and the Region are well positioned to move this innovative program forward.
- Durham Region Transit would assume significant risks related to the timing of implementing the equipment and infrastructure, which is critical to meeting the deadlines required by the Zero Emission Transit Fund (ZETF) program and the approved CIB financing program.
- Durham Region Transit estimates that a traditional model may delay implementation by 12-18 months, which could impact grant funding if program timelines are not achieved.
- The traditional project delivery model favours short-term requirements and does not provide as much flexibility in contract management to respond to the long-term considerations of the Transit fleet electrification program, including evolving solutions, effective integration and asset management requirements. There are also limited opportunities to optimize life cycle costs under the traditional project delivery model.

Scope of Services

5.7 PowerON will act as a prime consultant for Durham Region Transit, assuming responsibility and partial contractual risk for the delivery and management of the electrification infrastructure to support Durham Region Transit's electrification plan. Responsibilities include, but are not limited to the following:

- Design, procurement and construction management of the electrification infrastructure as per Durham Region Transit's requirements.
- Program planning and asset management services to strategically manage a series of individual projects as part of the overall electrification program, including reporting and analysis to ensure optimal asset performance and fiscal responsibility.
- Operations and maintenance of the electrification infrastructure, including monitoring, managing performance and using commercially reasonable efforts to ensure the equipment operates in accordance with minimum operating requirements as set out in the Principal Agreement.

5.8 The electrification infrastructure and related services will be designed and constructed at Durham Region Transit's bus depots and future remote charging locations, which may be required. The scope of services is grouped into the following three categories to best align with the needs of the parties:

- Electrification Infrastructure which includes equipment and materials that are directly required to charge and manage Durham Region Transit's electric fleet. Electrification infrastructure would be subject to an exclusivity period with PowerON for the lesser of 5 years following the effective date of the Principal Agreement or the termination of the Principal Agreement.
- Infrastructure that is related to, but not directly required for charging of Durham Region Transit's electric fleet is not subject to the exclusivity period in the Principal Agreement. This work would be evaluated to determine whether it would benefit the Region to assign it to PowerON. Further Council approvals will be necessary to award such projects to PowerON. An example project would be the rebuilding of the Oshawa East Storage Depot following the August 2023 fire. The facility will be a purpose-built facility for an electric fleet.
- The Region and Durham Region Transit will also have the option, at its sole discretion, to utilize PowerON for optional services such as Global Adjustment (GA) Services⁶, Clean Fuel Regulation Credit Services⁷ and IESO Services⁸, the terms of which will be evaluated by the Region, and if beneficial, separate Project Forms for optional services will be negotiated under the Principal Agreement.

5.9 PowerON has executed a teaming agreement with EnerFORGE and Elexicon Group to deliver some of the services within the territories of OPUC and Elexicon Energy respectively, to the extent that each party is willing and able to do so. The scope of this work includes:

- Project management of any required electrical system utility upgrades or connections at project sites;
- Maintenance of all electrification infrastructure installed through the Program; and
- The right to participate in any co-investment or financing opportunities that may arise through the Program.

Benefits

5.10 This collaboration brings the expertise of entities in energy infrastructure development and public ownership into the Region. By leveraging these advantages, this framework agreement provides efficient and sustainable infrastructure delivery.

⁶ Management of the electrification infrastructure to reduce Durham Region Transit's electricity cost (mitigate peak demand charges and Global Adjustment (GA) costs).

⁷ Clean Fuel Regulation credit reporting, aggregation, and sales.

⁸ Leveraging energy assets to generate market revenues for Demand Response, Operating Reserve, Capacity, and other ancillary services and any successor programs; and sale of electricity, if applicable, from electrification infrastructure to the IESO market.

- 5.11 Engaging a single agent responsible for design, procurement, construction management, delivery, and O&M services ensures streamlined delivery, communication, effective resource management, and efficient project execution.
- 5.12 By including O&M services within the model, PowerON can ensure continuity through design and construction for long-term maintenance considerations of the infrastructure.
- 5.13 Through the program management services, PowerON can optimize life-cycle costs by monitoring and adapting assets over time. Identifying operational efficiencies provides the opportunity to extend asset lifespan, improve performance and minimize long-term costs.
- 5.14 The VOR program offers economic benefits such as cost savings through bulk purchasing, streamlined procurement and an expedited project schedule that aligns with implementation timelines of funding and financing programs.
- 5.15 The model allows the Region to access specialized resources to manage the program in a collaborative manner, with control in the early project phases, maximizing flexibility, transferring risk, and optimizing for cost and schedule. Durham Region Transit staff will benefit from working with skilled resources including building internal capacity and specialized knowledge in zero emissions electrification infrastructure.
- 5.16 As the energy services companies are owned by public agencies (or by entities which are municipally owned), the partnership ensures a strong sense of accountability to the Region and its residents. The partners have a vested interest in delivering successful projects and maximizing public value.

6. Financial Implications

Principal Agreement Fees

- 6.1 Confidential Attachment #2 and #3 provides additional details on the application of the PowerON fee structure for a sample project.
- 6.2 A cost-plus pricing model will be used to deliver the EPC Work and O&M Work under the Principal Agreement with PowerON.
- For EPC Work, PowerON will charge the Region a Construction Management Fee that is calculated at a pre-determined percentage of capital cost of the project.
 - For O&M Work, PowerON will charge the Region an Operations and Maintenance Fee that is calculated at a pre-determined percentage of the annual preventative and corrective maintenance costs for the electrification infrastructure.

- 6.3 Once EPC Work is completed, PowerON will charge an annual Program Management Fee. This fee will be proportional to the capital cost of each piece of infrastructure implemented under the agreement and the Region will be obligated to pay this fee annually for the useful life of each asset.
- 6.4 In addition, to the above fees, PowerON will charge the Region for expenses they incur including labour, third-party costs and associated overhead for EPC Work (Project Management Costs). These costs are to be reimbursed at cost and associated overhead. The Project Management Costs are capped as defined on the term sheet.
- 6.5 Under the Principal Agreement, should PowerON deliver a capital project under the approved budget, including contingency, cost savings are to be shared with PowerON, subject to certain limitations. The term sheet provides additional information on PowerON's obligations should they deliver a capital project over the approved budget, including contingency. Under the Principal Agreement, project contingencies are capped as outlined on the term sheet.
- 6.6 The total contract value cannot be estimated at this time due to uncertainty in the scale, scope and timing of project costs that fall within the exclusivity clause of the Principal Agreement. Durham Region Transit's 2024 capital budget and nine-year forecast includes \$105 million in capital projects associated with electrical vehicle charging infrastructure. This work is contingent on senior government funding.
- 6.7 Furthermore, the Durham Region Transit ten-year capital plan also includes \$102 million in facility projects that include electrification infrastructure that would fall outside the exclusivity clause of the Principal Agreement but could be assigned to PowerON if beneficial to the Region. Further Council approvals will be necessary to award such projects to PowerON.
- 6.8 Without senior government funding agreements in place, such as the ZETF, it is difficult to assess whether the totality of all the PowerON fees will be considered eligible expenses under any approved grant funding program. Any ineligible expenses would need to be funded by the Region. However, this risk can be mitigated by using the existing provisions of the Principal Agreement which enable the Region to utilize traditional procurement methods to maximize funding.
- 6.9 Updated operating and capital costs associated with electrical vehicle charging infrastructure may increase pressures on Durham Region Transit's operating and capital budgets beyond the Transit Service and Financing Strategy (2023 – 2032). As such, further phasing and deferral of various transit initiatives could be implied, given the financial constraints of the strategy.

Senior Government Funding

- 6.10 In Report [#2023-DRT-23](#), staff brought forward a recommendation (recommendation C) to seek approval of the Principal Agreement subject to Infrastructure Canada's approval of the partnership framework with PowerON and the approval of the Region's application for funding under the ZETF program.
- 6.11 In response to this recommendation, Regional staff have advised Infrastructure Canada of the proposed partnership framework with PowerON. Infrastructure Canada acknowledged receipt of the information but did not provide comments or questions.
- 6.12 In addition, Region staff have sought confirmation from Infrastructure Canada that the capital expenses associated with future Project Forms under the Principal Agreement with PowerON will be eligible for grant funding under the ZETF program requirements as long as the Project Forms are executed following ZETF funding approval.
- 6.13 In the absence of confirmation from Infrastructure Canada, staff have taken the following actions to mitigate the risk of executing the Principal Agreement with PowerON in advance of receiving confirmation of federal funding and associated agreements:
- Included contract language in the Principal Agreement that all terms related to exclusivity will not apply should the Region, at its reasonable discretion, determine that the approach does not meet the requirements of a funding program that Durham Region Transit wishes to utilize.
 - Consulted with other transit agencies that have received ZETF funding approval and have a similar agreement with PowerON to confirm eligibility of funding for capital expenses associated with Project Forms.
- 6.14 With current federal financing opportunities only available until 2026, the proposed Principal Agreement with PowerON positions the Region to maximize funding opportunities within the constrained timeframe, reducing the expected cost pressures for the Region.
- 6.15 Staff will continue to explore additional financing and senior government funding opportunities to reduce cost pressures and further support this program.

7. Operational Considerations

- 7.1 Software and control systems will play a critical role in the management and operations of the electrification infrastructure, enabling bus and equipment to be integrated into the existing system for maximum operational efficiencies.

- 7.2 Staff will continue to work closely with Facilities Management staff as key stakeholders during the implementation of this program. The electrification infrastructure upgrades and operations and maintenance will require detailed planning and phasing of work, since Durham Region Transit depots are active operational sites.
- 7.3 Through this collaborative approach, Regional staff have the opportunity to learn and receive training and support in a reduced-risk environment, to safely expand responsibilities as appropriate.

8. Relationship to Strategic Plan

- 8.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
- Goal 1.1: Environmental Sustainability – Accelerate the adoption of green technologies and clean energy solutions through strategic partnerships and investment.
 - Goal 1.4: Environmental Sustainability – Demonstrate leadership in sustainability and addressing climate change.
 - Goal 3.4: Economic Prosperity – Capitalize on Durham's strengths in key economic sectors to attract high-quality jobs.

9. Next Steps

- 9.1 Upon approval of the recommendations contained in this report, staff will:
- Execute the Principal Agreement with PowerON, with commercial terms aligned with the fundamental principles of the Term Sheet and to the satisfaction of the General Manager of Transit, the Commissioner of Finance and the Regional Solicitor.
 - Draft the required Project Forms and proceed with work required for projects with approved capital budgets and associated financing.
 - Subject to approval from Infrastructure Canada through ZETF, initiate procurement of electric buses as approved through Durham Region Transit's annual Business Plans and Budget process.
 - Engage Corporate Communications to develop further engagement opportunities (internal and external) to promote eMission Zero – Fleet Electrification.
- 9.2 Legal Services and the Works Department have been consulted throughout the process and support the report's recommendations.

10. Conclusion

- 10.1 Approval of the recommendations enables Durham Region Transit to take the next steps towards electrification of the transit fleet.

10.2 Through the collaborative approach with PowerON, the Region can achieve an integrated, efficient, and sustainable infrastructure to support the fleet electrification program as new technologies quickly evolve over the next 20 years.

11. Confidential Attachments

11.1 Confidential Attachment #1 – Term Sheet **Under Separate Cover**

11.2 Confidential Attachment #2 – Summary of PowerON Fee Structure for Sample Project **Under Separate Cover**

11.3 Confidential Attachment #3 – Details of PowerON Fee Structure for Sample Project **Under Separate Cover**

Respectfully submitted,

Original Signed By

Bill Holmes
General Manager, Durham Region
Transit

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer