**Report of the Executive Policy Committee dated January 9, 2002**

**Financial Support for Industrial Chair in Power Systems Simulation, University of Manitoba**

**File H (Vol. 10)**

2. The Executive Policy Committee has been advised that in February, 1993, Winnipeg Hydro was authorized to enter into a five-year agreement to provide financial support to the NSERC Industrial Chair at the University of Manitoba at the rate of $7,000.00 per year for a total of $35,000.00. The grant was used by the University to partially fund the salaries for the Senior Chair and three support staff, who provided leadership in directing many graduate students to conduct research in areas of power systems technology. The Industrial Sponsors, including Winnipeg Hydro, constituted an Advisory Committee that reviewed and assessed the research projects.

The Natural Science and Research Engineering Council (NSERC) continues to encourage programs which aim to increase the interface between universities and industry. One such program provides partial funding towards establishing and maintaining Industrial Research Chairs within Canadian universities.

NSERC is a Council appointed by the Federal Government and reports to the Minister of State for Science and Technology. They play a major role in approving government grants for post graduate scholarships and industrial research. Approval of the proposed Chair will be evaluated upon the merits of the University's proposal and the interest and commitment of industry. The financial support of industry will be approximately thirty five per cent of the cost over a five-year period.

NSERC, in cooperation with local industry including the City of Winnipeg, has previously provided grants for an industrial research chair in power systems at the University of Manitoba. Winnipeg Hydro's recent sponsorship to the chair was $7,000.00 per year, beginning in 1993, for a total amount of $35,000.00. The NSERC Power Systems Chair concluded in 1998.

The University of Manitoba has chosen to continue research in the area of power systems and has acquired significant expertise in the area of power systems transient simulation. Also, two of the world's foremost power system simulation companies (RTDS Technologies and Manitoba HVDC Research Centre) are located in Winnipeg. The Industrial Research Chair will focus on the development and use of transient simulation techniques for electric power systems. The University hopes that the NSERC Chair will eventually result in a self-sustaining school of research, which will benefit the University and industry.

Local support is very important to the success of the proposal and includes Manitoba Hydro, Manitoba HVDC Research Centre, RTDS Technologies and Teshmont Consultants.

The University of Manitoba's proposal for contribution support from the various industries is summarized as follows:

| Company | Amount | Percentage |
|---|---|---|
| NSERC | $1,031,392.00 | 36.8 |
| University of Manitoba | $ 737,439.00 | 26.3 |
| Manitoba Hydro | $ 696,393.00 | 24.9 |
| Man Hydro HVDC Res Cen | $ 200,000.00 | 7.1 |
| RTDS Technologies | $ 75,000.00 | 2.7 |

| | | |
|---|---|---|
| Winnipeg Hydro | $ 50,000.00 | 1.8 |
| Teshmont Consultants | $ 10,000.00 | 0.4 |
| TOTAL | $2,800,223.00 | 100.0 |

The information was obtained from the University's business proposal that will be submitted to NSERC for consideration.

The University initially requested funding support from the City about a year ago. Although the University was expecting the City to provide support of $150,000.00 ($30,000.00 per year over five years), Winnipeg Hydro advised the University of Manitoba informally that any grant approved from the City would likely not exceed $10,000.00 annually for five years ($50,000.00 total) once the Chair was established.

The Hydro Department did not proceed with a request to authorize funding support until the University provided assurance that they would proceed with the application. Now the City is the last of the prospective sponsors to confirm funding. The University has requested that the City provide confirmation of its financial support as soon as possible.

The Faculty of Engineering at the University has been a valuable resource to the City. They have provided test facilities and expertise, not only in electrical applications, but for civil and mechanical applications as well. One of the strengths of the electrical faculty has been in the area of power systems, and the City as an operator of a power utility has been a beneficiary. In light of the City's role in the industry through the Hydro Department, an annual contribution of $10,000.00 for a five-year period is recommended.

Funds are available in the Hydro Department Operating Budget (Account No. 40 552101 010103) should the proposal proceed.

A copy of the Financial Impact Statement, dated November 22, 2001, as well as the University's proposal have been placed on file in the office of the City Clerk.

The Executive Policy Committee recommends:

I. That the City of Winnipeg support the establishment and operation of an Industrial Chair in Power System Simulation at the University of Manitoba.

II. That the City of Winnipeg be authorized to enter into a five year agreement to provide financial support for the Industrial Chair in Power System Simulation at the University of Manitoba at the rate of $10,000.00 (PST and GST not applicable) per year beginning in 2002 for a total amount of $50,000.00, subject to annual budget approval.

III. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.