

DATE OF MEETING SEPTEMBER 21, 2022  
AUTHORED BY TING PAN, MANAGER, SUSTAINABILITY  
**SUBJECT CONTINUATION OF HOME ENERGY ASSESSMENT REBATES**

## **OVERVIEW**

### **Purpose of Report**

To obtain approval of funding to support the continuation of home energy assessment rebates.

### **Recommendation**

That Council allocate \$4,000 from the Climate Action Reserve Fund to support the continuation of City of Nanaimo's home energy assessments rebates.

## **BACKGROUND**

On 2018-JUL-09, Council endorsed the implementation strategy for the BC Energy Step Code. The strategy includes the allocation of \$50,000 to establish an Energy Step Code Education and Rebate Program to support educational workshops as well as to promote energy efficiency in new and existing buildings. The program provides homeowners with a \$150 rebate for an initial home energy assessment conducted by a certified energy advisor and up to a \$200 rebate for a follow-up home energy assessment based on \$10 per 5 GJ/year reduction on the EnerGuide rating scale after an energy improvement is completed.

On 2021-MAY-10, Council directed Staff to submit an application to the Green Municipal Fund (GMF) Community Efficiency Financing program for the Financing for Deep Energy Retrofits in the Nanaimo Region Feasibility Study and reallocated \$21,850 from the Energy Step Code Education and Rebate Program as the City's portion of contribution towards the project.

The funding application to the GMF was submitted in July 2022, and is currently being reviewed with the understanding that the funding decision is to be made by the end of September 2022.

## **DISCUSSION**

As of 2022-SEP-06, \$22,178.28 of the overall funds remain and is sufficient to cover the \$21,850 committed to the potential GMF supported project while leaving only \$328.28 to support home energy assessments for the remainder of the year. The breakdown of the rebate disbursement from July 2018 to September 2022 is shown in Table 1 below:

**Table 1: Summary of Home Energy Assessment Rebates Disbursement**

	2018 (Jul-Dec)	2019	2020	2021	2022 (Jan-Sep)	Total
Number of Rebates	3	39	30	10	92	174
Amount Disbursed	\$384	\$5,762	\$4,238	\$1,530	\$10,928	\$22,842

The first nine months of 2022 have seen the most rebate disbursement in a year from the City of Nanaimo over the last five years. The contributing factors might be that:

- The provincial CleanBC Better Homes Rebate Program included a matching home energy assessment rebate when it was launched in April 2020 but discontinued this rebate in September 2021;
- The federal Greener Homes Grant Program launched in May 2021 which requires both the initial and follow-up home energy assessments for applicants to receive the grant;
- The federal interest-free Greener Homes Loan Program launched in June 2022, which also requires both the initial and follow-up home energy assessments.

The City's home energy assessment rebate combined with up to \$600 from the federal Greener Homes Grant Program would cover the majority of the initial and follow-up home energy assessment costs for homeowners, making it easier for them to access up to a \$5,000 grant and up to a \$40,000 interest-free loan for energy efficiency upgrades from the federal program.

### **FINANCIAL IMPLICATIONS**

There is sufficient funding available in the Climate Action Reserve Fund to support the continuation of home energy assessment rebates. Staff anticipate that at the current rate of rebate uptake, an additional \$4,000 would likely support the program until the end of 2022. The draft 2023-2027 Financial Plan includes \$10,000 per year for home energy assessment rebates, starting in 2023.

### **OPTIONS**

1. That Council allocate \$4,000 from the Climate Action Reserve Fund to support the continuation of City of Nanaimo's home energy assessment rebates.
  - The advantages of this option: The additional \$4,000 would continue the support for homeowners to pursue energy efficiency retrofits and take advantage of the provincial and federal incentive offerings as early as possible without interruption. City funding is being leveraged with current provincial and federal funding to increase the rebate impact and encourage program uptake.
  - The disadvantages of this option: It will require continued administrative support to disburse rebate payments.
  - Financial Implications: The recommendation allocates \$4,000 from the Climate Action Reserve Fund. The reserve has sufficient funding available for the request. The 2022-2026 Financial Plan will be amended to reflect this change.
2. That Council not approve using \$4,000 from the Climate Action Reserve Fund to support the continuation of City of Nanaimo's home energy assessment rebates

- The advantages of this option: \$4,000 could be used to support other projects or programs that may deliver a higher impact on community greenhouse gas emissions reductions.
- The disadvantages of this option: Home energy assessment rebates will not be available to homeowners in Nanaimo until the proposed annual budget for the home energy assessment rebates in the 2023-2027 Financial Plan is finalized. This could discourage or delay home energy retrofits and prevent some homeowners from accessing provincial and federal grant and loan programs.
- Financial Implications: There will be no impact on the Climate Action Reserve Fund.

3. That Council provide alternative funding recommendations. |

### **SUMMARY POINTS**

- City of Nanaimo's Step Code Education and Rebate Program has supported Step Code educational workshops and promoted energy efficiency in new and existing buildings through home energy assessment rebates since July 2018.
- The Program has seen the most rebate disbursement in 2022 over the last five years. As of September 2022, only \$328.28 remains to support home energy assessments.
- The recommendation to allocate an additional \$4,000 will help support the continuation of the home energy assessment rebates and encourage homeowners to pursue home energy retrofits and access provincial and federal incentive offerings as early as possible.

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