

Fifth Session – Forty-Second Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Crown Corporations

Chairperson
Mr. Dennis Smook
Constituency of La Vérendrye

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MANITOBA LEGISLATIVE ASSEMBLY
Forty-Second Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON CROWN CORPORATIONS

Monday, January 16, 2023

TIME – 1 p.m.

LOCATION – Winnipeg, Manitoba

**CHAIRPERSON – Mr. Dennis Smook
(La Vérendrye)**

**VICE-CHAIRPERSON – Mr. Bob Lagassé
(Dawson Trail)**

ATTENDANCE – 6 QUORUM – 4

Members of the committee present:

Hon. Messrs. Piwniuk, Wharton

Mr. Lagassé, Ms. Naylor, Messrs. Sala, Smook

APPEARING:

*Ms. Jeannette Montufar, Chair of the Board,
Efficiency Manitoba*

*Ms. Colleen Kuruluk, Chief Executive Officer,
Efficiency Manitoba*

MATTERS UNDER CONSIDERATION:

*Annual Report of Efficiency Manitoba for the
fiscal year ending March 31, 2019*

*Annual Report of Efficiency Manitoba for the
fiscal year ending March 31, 2020*

*Annual Report of Efficiency Manitoba for the
fiscal year ending March 31, 2022*

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Clerk Assistant (Ms. Katerina Tefft): Good afternoon. Will the Standing Committee on Crown Corporations please come to order.

Before the committee can proceed with the business before it, it must elect a Chairperson.

Are there any nominations? *[interjection]*

Minister Piwniuk?

Hon. Doyle Piwniuk (Minister of Transportation and Infrastructure): Sorry. I nominate MLA Smook.

Clerk Assistant: Mr. Smook has been nominated.

Are there any other nominations?

Hearing no other nominations, Mr. Smook, will you please take the Chair.

Mr. Chairperson: Our next item of business is the election of a Vice-Chairperson.

Are there any nominations?

Mr. Piwniuk: MLA Lagassé. Bob Lagassé.

Mr. Chairperson: MLA Lagassé has been nominated.

Are there any other nominations?

Hearing no other nominations, Mr. Lagassé is elected Vice-Chairperson.

This meeting has been called to consider the Annual Report of Efficiency Manitoba for the fiscal years ending March 31st, 2019, 2020 and 2022.

Before we 'gin, I would like to remind everyone that questions and comments must be put through the Chair.

Are there any suggestions from the committee as to how long we should sit this afternoon?

Ms. Lisa Naylor (Wolseley): I suggest we sit for two hours.

Mr. Chairperson: Okay, it has been suggested that we sit for two hours.

Now, does that two hours include some—10 minutes at the end for passing reports, or up to two hours?

Ms. Naylor: I would suggest that we conclude questions at the two-hour mark and then take the 10 minutes needed to pass reports.

Mr. Chairperson: It has been suggested by Ms. Naylor that we sit for two hours and then do the reports after the two hours.

Is that agreed? *[Agreed]*

Does the honourable minister wish to make an opening statement, and would he please introduce the officials in attendance?

Hon. Jeff Wharton (Minister responsible for Efficiency Manitoba): Welcome, everyone, and great to be here today by Zoom link in Manitoba, of

course, in sunny Brandon. But certainly, great opportunity today to talk about some of the great work that Efficiency Manitoba has been doing and continue to do.

And also, Mr. Chair, I did have my hand up when we were setting the time limit today, but I think it was overlooked. So, if I could, before I pass it over to the CEO to introduce her team, could I just offer my comments on the time?

Mr. Chairperson: The Honourable Mr. Wharton, please do.

Mr. Wharton: So, certainly agree, up to two hours to discuss the information in front of us today, of course.

However, I do want to make sure that we are identifying we are leaving time at the end of the meeting to go through and pass the reports. I want to make sure that that's on the record.

Mr. Chairperson: That is what we have agreed to, so yes, the reports will come up to be passed at the end of the two-hour period.

Did you have anything—the Honourable Mr. Wharton, did you have any further in your statement to make, or?

An Honourable Member: Yes, I just wanted to introduce a department—

Mr. Chairperson: The Honourable Mr. Wharton, sorry.

Mr. Wharton: Thank you. No problem, Mr. Chair.

Today we have—Rathan Boman [*phonetic*] is there today, I believe, and also my special assistant, Erik Selch, joining us.

And with those two opening comments, I thank the team for being here and I turn it over to you, Mr. Chair.

Mr. Chairperson: We thank the honourable minister for those comments.

Does the critic for the official opposition have an opening statement?

Ms. Naylor: It is my pleasure to join you today to consider the '21-22 annual report for Efficiency Manitoba, among others, and I'm pleased to discuss these matters with the CEO, Colleen Kuruluk, board chair, Jeannette Montufar and Minister Jeff Wharton, and I thank this—Minister Wharton, rather—and I thank the staff of Efficiency Manitoba for their continued work.

We know that Efficiency Manitoba has an important role to play in Manitoba's efforts to combat climate change. Efficiency Manitoba not only educates Manitobans on how they can save energy and make environmentally sound decisions, but it also saves people money through programs that promote greater energy efficiency, appliance recycling and much more.

However, we have been concerned with the PC government's approach to Efficiency Manitoba. We know that the PC government is not serious about conserving energy, making life more affordable or taking action to combat climate change. Their failures with respect to Efficiency Manitoba has significantly hampered the Crown corporation's mandate to reduce energy usage.

So, I'm looking forward to a productive committee meeting today.

Thank you.

Mr. Chairperson: We thank the member for the—her—for that statement.

Do the representatives from Efficiency Manitoba wish to make an opening statement?

Ms. Jeannette Montufar (Chair of the Board, Efficiency Manitoba): As chair of Efficiency Manitoba board of directors, I'd like to thank you for the opportunity to participate here today.

Since Efficiency Manitoba's board was created in May 2018, I've had the privilege of serving as chair and working alongside my fellow directors, providing governance to support this new Crown corporation.

We've worked 'collaboratively' to set this organization up with a strong, stable foundation necessary for achieving significant long-term electricity and natural gas saving targets in Manitoba.

It is—it's incredible to look and see just how far Efficiency Manitoba has come. What started as a piece of legislation has grown and developed into a fully functional organization with a talented team of experts.

* (13:10)

Over 1,200 suppliers are registered with Efficiency Manitoba and eager to work with Manitobans on implementing energy-efficient technologies via programs and offers made possible by the incredible organization that is Efficiency Manitoba. Everyone involved with Efficiency Manitoba is committed to a

shared mission, which is reducing energy consumption using innovative approaches that respect the environment and lead to economic benefits for Manitobans.

It takes time to build awareness of any new organization, and I'm really pleased to say that, in less than two years, they have built awareness of Efficiency Manitoba from 33 per cent in 2020 to 53 per cent in 2022. I'm sure, with all the recent communications activities to raise the awareness and participation of Manitobans, the next report will see that awareness increase even further.

I speak on behalf of the board of directors when I say how very proud we are of the progress Efficiency Manitoba has made since commencing in April 2020. They've persisted through challenging external events by launching new programs and adjusting existing programs as necessary, continuing to foster relationships with businesses and communities throughout the province, and ensuring all Manitobans are able to easily and safely access energy-saving opportunities. Colleen, our CEO, will go into detail about these achievements during her opening remarks.

With 15 years of projected energy savings to achieve, Efficiency Manitoba is poised to serve as a key player in our province's pathway towards economic resiliency and environmental sustainability. We're looking forward to continuing to support their efforts and ongoing work to enable real benefits for Manitobans in their homes, businesses and communities for years to come.

Thank you.

Mr. Chairperson: We thank you for those words.

Ms. Colleen Kuruluk (Chief Executive Officer, Efficiency Manitoba): It's my pleasure to be with you today to talk about Efficiency Manitoba's progress as Manitoba's newest Crown corporation with the important mandate of helping Manitobans save energy and money in their homes, businesses and communities. I look forward to answering your questions following my brief opening remarks.

Before I begin, I respectfully acknowledge that we are on Treaty 1 territory, the traditional gathering place of the Anishinaabe, Cree, Oji-Cree, Dakota and Dene people and the traditional Homeland of the Métis people and the heart of the Métis nation. It is also important to acknowledge that we work with and serve all five treaty territories in Manitoba. As we acknowledge this truth, we have an opportunity to be respectful allies on the path to reconciliation.

Since our official commencement in April 2020, we've been actively making progress towards our energy savings targets. We offer programs, financial incentives and expert energy efficiency advice for homes, businesses and communities. We're also supporting innovative approaches and solutions that will drive energy savings, economic growth and environmental benefit for years into the future.

We have been steadfastly delivering on our approved efficiency plan, while also needing to quickly and nimbly implement significant pivots and modifications to respond to the extraordinary external conditions brought on by the pandemic.

And although the days of lockdowns, stay-at-home orders and restrictions on in-person gatherings are thankfully behind us, there are significant pandemic-induced implications that have persisted and impacted both residential and business customers' decisions to invest in energy efficiency improvements.

While energy efficiency projects are now under way and customers are engaging more and more in energy efficiency, economic conditions continue to evolve, and customer uncertainty is not good for expenditures and investments. We're seeing these impacts translate into hesitancy on customer decisions to move forward with their projects or, if they are proceeding, the timelines to complete projects are extended due to supply chain delays with materials and parts or labour shortages to complete the work.

With this reality as our backdrop, we've been forging ahead to ensure Manitobans are aware that we have programs and expertise to help them lower their utility bills, save energy and reduce greenhouse gas emissions, and we've been making consistent progress towards achieving our long-term electric and natural gas energy savings targets. Each year, we're seeing progressively more participation with customers, even with the ever-changing economic conditions that all Manitobans have been facing.

With all of this mind, and with focus and dedication, our year-over-year results demonstrate continued progress. In 2021-22, we were able to achieve 77 per cent of our electric savings target and nearly reach our natural gas savings target, along with those associated greenhouse gas emissions reductions, and we've achieved these results more cost effectively than anticipated in our three-year plan.

I'm incredibly proud of Efficiency Manitoba's accomplishments, and this is particularly true when

reflecting on our many successes in our fiscal year '21-22.

Our team continues to work with and for our fellow Manitobans to provide valuable advice, complimented by meaningful and impactful energy efficiency offers. We've launched over 40 programs and offers, nine of which occurred in '21-22 alone.

Each one of our programs and offer launches has been purposeful and captures energy-savings opportunities in the market, and each one deserves its own special mention, but in the interest of time, I'll highlight just a few.

So, in October '21, we were pleased to launch our long-awaited windows and doors rebate program, which encourages the replacement of old and inefficient windows and doors with high performance models. The resulting reduction in air leakage and heat loss can help participants reduce their energy consumption, lower their energy bills and enjoy a more comfortable living environment.

Our Innovation Fund launch in September 2021 has been created to support Manitoba-based projects and new technologies that can reduce electricity or natural gas consumption and drive long-term future energy savings opportunities.

In coincident with the launch of this fund, we invited Manitoba organizations to send us their energy savings plans and projects that could be replicated through the province. The response we received was truly incredible and we were able to provide funding to seven projects in our first year of the Innovation Fund. The total committed funding for innovation projects to date is \$1.8 million.

I'm also incredibly proud of the collaborative work that we're facilitating via our Indigenous Community Energy Efficiency Program. Responding to overwhelming interest, we approved funding for 11 First Nation communities to hire and support a local energy efficiency advocate.

The advocates are responsible for fostering a culture of conservation and sustainability through energy efficiency, accomplished by developing an energy efficiency plan for the community aimed at leveraging our programs and offers. They will also have direct access to Efficiency Manitoba's incentive programs to enable energy efficiency upgrades and resulting energy savings.

In addition to energy efficiency advocates for First Nations communities, we're also working

'collabraty' with the Manitoba Métis Federation for a funded advocate to promote our Métis energy efficiency offers and other Efficiency Manitoba programs to Red River Métis citizens across the province.

Partnerships and building relationships are key for us. Complimenting the collaborations I just noted, we also partner with community renewal corporations and social enterprises to help raise awareness of our programs, increase participation and lower energy bills to help make them more affordable.

Beyond designing and launching exciting new programs and offers since our commencement, the Efficiency Manitoba team has been actively pivoting, modifying and responding to the market conditions outside our doors.

The details of these enhancements are included in our Annual Report, but at a high level they include activities that expanded and added flexibility to program eligibility criteria, added limited-time customer and supplier incentive bonuses and extended our offer period for limited-time rebate campaigns.

Making this happen requires the deep energy efficiency and market expertise of our team, along with continuous collaboration with Indigenous, community and delivery partners to ensure their energy efficiency needs of Manitobans are being identified and met by our programming.

There is a vast supplier and delivery partner network built in Manitoba and these businesses and the people who work with them benefit directly from our programs by selling and installing energy efficiency products and services.

And the help provided by our programs via our team and the partners we work with couldn't be available at a more important time. As the cost of most everything continues to rise, the savings Manitobans will see through participating in our programs and adopting energy efficiency measures will help them reduce their energy costs.

We have programs for homes, businesses and communities, from multi-unit to single family residences, to those on limited incomes, to Indigenous communities, to the small local corner store, to large industry-creating jobs for Manitobans and looking for ways to reduce costs and stay competitive in the global market.

Achieving significant energy savings requires the participation of Manitobans, both program participants and those that deliver our programs and sell

energy efficiency service via their stores, businesses and in all corners of the province.

Our list of—

Mr. Chairperson: Excuse me. Our time has expired.

Is there leave for Ms. Kuruluk to continue?
[Agreed]

Ms. Kuruluk, could you please continue.

Ms. Kuruluk: Our list of contractors, retailers and consultants who are registered to offer our programs continues to grow. By the end of '21-22, we had nearly 1,100 registered suppliers providing the boots-on-the-ground services and technical expertise to help bring energy efficiency upgrades into homes, businesses and communities all throughout the province. This represents an impressive 55 per cent growth over the prior fiscal year.

* (13:20)

The value and benefits of energy efficiency are numerous. With everyday living costs on the rise, helping Manitobans make energy efficient choices and upgrades will lead to a reduction in energy bills for homes, businesses and communities. In '21-22, our programs helped Manitobans save a total of over \$14 million on their energy bills.

Less natural gas consumption comes with the especially important benefit of reduced greenhouse gas emissions, which provides important climate and environmental benefits. I'm proud to say that our natural gas savings resulted in 22,500 tons of CO₂ equivalent being avoided this past fiscal year.

As—and the economic benefits spurred by energy efficiency are countless. By improving access to energy savings upgrades through our programs and rebates, our commitment to energy efficiency is actively supporting green job creation as well as Manitoba's economic recovery and growth.

When Manitobans participate in our program, it's good for their wallet, the environment and the viability of local businesses while also contributing to Manitoba's economy. It's really a win all around.

As we closed out our second fiscal year with the pandemic impacts lingering, we recognized that customer participation, being lower than forecasted in the first efficiency plan would impact access to the full allocation of Low Carbon Economy Leadership Fund dollars if action wasn't taken to protect access to these dollars.

This is precisely the reason why we worked collaboratively with the provincial and federal counterparts to enable a one-year extension to the current efficiency plan, which in turn would permit a one-year extension to access the full allocation of LCELF dollars committed to support natural gas efficiency in Manitoba.

While the '23-24 extension year is upon us in mere months, we're actively working on our next efficiency plan for '24–2024 through 2027, which is benefiting both from our foundation-setting work completed in our first years as an organization and also from the recently completed long-term, integrated market potential study and the insights and feedback we have obtained from our interactions with both customers and delivery partners.

We look forward to using our energy efficiency experience and expertise as a focused, stand-alone organization to the benefit of all Manitobans. As we build the next three-year efficiency plan, we're excited to continue collaborating and engaging with our stakeholders and partners and taking the next steps with Manitobans on the journey to make our province increasingly more energy efficient.

That concludes my opening remarks, and I welcome any questions.

Mr. Chairperson: Thank you.

The floor is now open for questions.

Ms. Naylor: I'm—I have a long list of questions, and I also meant to mention that my colleague, the MLA for St. James, will be jumping in at some points to ask questions as well.

If Ms. Kuruluk could start with telling us how she would describe Manitobans' awareness of Efficiency Manitoba as compared to the previous Power Smart program and if she thinks that enough Manitobans know about this corporation and what it's supposed to be doing.

Ms. Kuruluk: So, in the board chair's opening remarks, we talked about our brand recognition going from 33 per cent to 53 per cent, which is significant in an 18-month period.

Know that the Power Smart brand was built in Manitoba, but that was over a period of 30 years, or three decades. So, the brand awareness of Power Smart was high; it was in the 80 range. So 53 per cent is a commendable effort for an 18-month period.

Is it enough? No. We anticipate we're—our target is to get to 80 per cent, so you will see that with the campaigns that we have rolling out as of today even, that Efficiency Manitoba will become a much more recognized brand in the Manitoba market in the future.

Ms. Naylor: The—as you mentioned previously, the independent audit of Efficiency Manitoba's activities show a 77 per cent achievement rate with respect to electric savings for '21-22, and 93 per cent achievement rate with respect to natural gas savings.

Can the CEO comment on whether or not she's satisfied with these achievements?

Ms. Kuruluk: So, again, with the backdrop that was our reality in the first two years of our existence, which was, you know, largely characterized by lockdowns, stay-at-home orders, the inability to gather in person, we do think these efforts are in line with what other providers of energy efficiency are achieving.

And so, would we like to be on target? One hundred per cent, we'd like to be on target. But in light of what was—what's been happening in the Manitoba market and customers' ability to participate, we do think it's a commendable achievement.

Efficiency Manitoba customers have been focused on things beyond just energy efficiency, and that's true even today when you start looking at inflationary pressures and where people are spending their discretionary income.

You know, in the past, discretionary income was a commodity that was scarce with respect to customers that have—might have lost their jobs or people that were concerned about the economic future. Now what we're seeing is our competition for spending discretionary dollars of Manitobans is coming in at the sacrifice of things like travel—is some of the places where people are wanting to spend their money now.

So, what Efficiency Manitoba's job is, is to make sure that customers are aware that investing in energy efficiency is a really good idea. It helps—it has a payback that will come to customers in not only this year, but in several years to come, and we think it's a great investment.

And that's the challenge that's in front of us.

Ms. Naylor: Do you recall, from a year ago when we had our conversation, some—you know, talking about the impact of the pandemic and some of, you know, why that led to not the kinds of achievements we

would hope to see. But—and there has been some change in that, but I'm still concerned that there—it's not enough of a change.

And so, can the CEO tell me if she believes that the achievement rates will improve in the current fiscal year, and how—you know, how she's going to go about that?

Ms. Kuruluk: So, as I stated in my opening remarks, the trajectory of energy efficiency improvements is already happening.

One thing that I would like to note is that Efficiency Manitoba specifically has long-term energy savings targets in legislation, and that particular portion of legislation was contemplated specifically due to the fact that, with 65 per cent of Efficiency Manitoba's budget coming from customer incentives, customers need to participate. And economic conditions do impact customers' ability to participate.

So, we have 15 years to make up those targets. Do we want to make them up earlier? One hundred per cent. As I noted in my opening remarks, we're already near to be reaching our natural gas savings target, and we're hoping to close the gap on what we missed out on in the first year.

Electric savings targets have some additional challenges that came to light through the market potential study that we just completed with a third-party consultant that's an expert in demand-side management industry. And that challenge is specifically that one of the key and most pervasive technologies for achieving energy savings in the electricity market is no longer—or, is rapidly becoming no longer available to us, and that is non-residential lighting. So, business lighting is largely transforming to LED technology.

So, what we had forecasted for being energy savings in electricity with that particularly—particular technology, which is a pretty big component of our plan, is depleting because the market is transforming, which is great news. It's good news for energy efficiency in general, it just will make it harder for us to meet our electric savings targets.

That said, the market potential study did also highlight a couple areas where we could be focusing our efforts to actually meet targets and, in future years, start exceeding those targets.

Mr. Adrien Sala (St. James): Hi. Thank you so much for that.

I just maybe would like you to elaborate a bit on what that study identified as those strategies that would allow us to eat those—to meet those efficiency targets that you just identified.

Ms. Kuruluk: So, some of the technologies—so, first of all, the potential study did highlight the loss of that particular lighting market. Some of the things that they anticipated that could take its place were replacing heating systems with air-source heat pumps or geothermal heat pumps in the shoulder seasons only. Our climate is such that using an air-source heat pump or a geothermal heat pump is very difficult to do through the coldest winter months.

They also identified home energy reports as an offer that we're currently not offering, that we could offer to generate both natural gas and electric savings.

Additional energy savings, also, in the industrial customer sector. So, we have an existing customer program right now with Efficiency Manitoba and getting deeper savings and doing more savings in the industrial sector was identified as a big opportunity.

* (13:30)

And the key thing that the study also highlighted was that energy-savings opportunities are going to likely come at a higher cost, so the relationship between what we invest and what comes out of—what we can achieve in our targets is not strictly linear.

So, as those technologies get more complex—such as air source heat pumps or geothermal heat pumps, as compared to something like a efficient light bulb—as they get more complex, Efficiency Manitoba will have to invest more, and they're also more costly technologies, so we'll be having to invest more in the future to actually get those energy savings.

Mr. Sala: I'd like to ask if that study is publicly available and, if not, if the CEO could endeavour to make that available to us, the committee here?

Ms. Kuruluk: That study is not currently publicly available.

We have presented—and had our consultant present—a synopsis of the study to our Energy Efficiency Advisory Group, Manitoba Hydro and members of the provincial government.

Mr. Sala: So I'll just ask again, would the results of the study or a synopsis of it be made available to the committee, or could it be made available to the committee?

Ms. Kuruluk: Efficiency Manitoba will endeavour to get you the executive summary of this report that could be provided to the committee.

And, just in addition, Efficiency Manitoba will be proceeding with a hearing for their efficiency plan, likely looking like it'll be the fall of this year, at which time, I suspect, the Public Utilities Board will be asking for a filing of that complete study.

Mr. Sala: So, we touched on this a bit at the beginning of my colleague's question, but I just want to talk a little bit more broadly about the performance of Efficiency Manitoba, and specifically in relation to the Efficiency Canada scorecards, which I'm sure you guys are no doubt aware of.

Manitoba has come in eighth place this year and the previous year. And one thing that I think is so concerning about that for folks is that we are one of three major hydroelectric-producing provinces in this country—BC, Quebec, of course, being the other two—and yet, we see BC routinely coming in at the top; this year, again, they're No. 1 and Quebec in No. 2, and Manitoba is at the back of the pack, right in front of Saskatchewan, which has almost no energy efficiency programs to speak of.

So I guess just to ask, I understand you've identified supply chain issues, there's consumer issues in terms of their willingness to spend and all types of barriers, for sure, in place. But other provinces would certainly be facing similar challenges or—in seeing uptake or increases in energy efficiency.

So, just hoping you can help us understand what BC, for example, or Quebec, is doing so differently than us that allows them to routinely score at the top of the pack compared to Manitoba.

Mr. Chairperson: Just as a reminder to members, if questions could be put through the Chair, please. It just keeps things a little bit easier.

Ms. Kuruluk: So, indeed, Efficiency Manitoba is aware of the Efficiency Canada scorecard. Members of our team spend quite a bit of time responding to the detailed questions that are contained in that scorecard.

And the intent of the Efficiency Canada scorecard is to advocate for comprehensive programs and policies that support increased energy efficiency across Canada. And so, we are, of course, most supportive of this intent and recognize there are areas within this broader objective and within the scorecard itself that Efficiency Manitoba can impact and others we cannot, recognizing our legislated mandate.

I'm glad the member brings up BC and Quebec. In terms of the areas related to Efficiency Manitoba's mandate, which is specifically the energy savings portion of that scorecard, both BC Hydro and Hydro-Québec scored around the same range as efficiency—or, Manitoba, sorry—with respect to the program savings element of that scorecard. And the important thing that the Efficiency Canada scorecard is not able to do is recognize the jurisdictional differences that exist across Canada.

So, in addition to BC, Quebec and Manitoba being hydroelectric provinces, they are also three provinces that have the longest standing energy efficiency programs across Canada. So, I would say that BC and Quebec have been at the energy efficiency games for roughly the same as Manitoba, so 30 years.

So, the reason why I think those scores are kind of in the mid-range—and, like I said, we score very similar to Quebec and BC on that particular element—and the reason is because the provinces that have created agencies or utilities and just entering the game for energy efficiency in recent years have a lot more opportunities to pursue than those three provinces that have been at it for 30 years. So, that's a really important distinction to make.

This is something that we raised with Efficiency Canada, along with some other difficult things to help compare against different jurisdictions, such as geographical dispersion of customers, the remoteness of customers—I can tell you that Nova Scotia doesn't nearly have the remote population that we do here in Manitoba.

And so, all of these extra things make it difficult to compare apples to apples, and so I do believe Efficiency Canada is recognizing some of these comments that others have made with respect to the fairness of the comparison. And so, they are actually taking a year off of the scorecard and plan to be delivering it biannually now, but they're using this time to really dig into the metrics to ensure that things are being compared fairly.

But, that said, you know, we are trying to create a culture of continuous improvement, and if something comes out of the Efficiency Canada scorecard which is something that's also falling within our mandate, and it's something that would bring value to Manitobans and make sense in the Manitoba market, we will absolutely look at implementing something that might have come out to fold that in with our existing initiatives.

And I'll just say, you know, there were quite a few elements of the scorecard that they brought forward that were very positive to Manitoba, one of them being legislated long-term energy savings targets, which is what Efficiency Manitoba has.

There was positive comments about our Innovation Fund. We scored top marks in the industry efficiency area, which is providing energy assessments, benchmarking, consultations and technical support and embedded energy managers for industry.

And they also commented positively on our approach to Indigenous programming.

Mr. Sala: Just following up on one aspect of your response, which was concerns about the impact of the mandate—the legislative mandate—for Efficiency Manitoba and how that influences or impacts your ability to deepen those efficiencies for Manitobans.

There are some—if you speak with folks around Manitoba, and I've had a chance to speak with a lot of people in the energy space, one thing that we hear often is that the legislation itself and the way that it's written has inherent—it creates an inherent challenge or issue for you in that there's essentially disincentives baked in.

For example, if we want to improve the efficiency of home heating, you've already said there's opportunities to look at moving towards air-source heat pumps as maybe a solution in the shoulder seasons. In-ground heat pumps would significantly deepen the amount of the efficiency we're seeing and space conditioning. And yet, if we do that, we're drastically increasing the amount of electricity that the province is using.

Same thing with transportation, right? Ice vehicles are wildly inefficient. If you electrify them, they become incredibly efficient and you can possibly save people a lot of money. But if we were to do that, again, we're drastically increasing electricity usage.

So, can you speak to the impact of that—of the legislation as written and how that constrains or just influences your ability to help deepen efficiencies in Manitoba?

Ms. Kuruluk: Yes. So, in my remarks, I didn't express that I had a concern per se about the legislation, but what you—the member is bringing up is that as the electric load grows in our province, and with our targets being a percentage—being based off a percentage of that load, that means our targets will get higher and higher as the province electrifies, or if the province chooses to electrify.

* (13:40)

So, this is an element of our legislation that has been known to us since early days. Our legislated Energy Efficiency Advisory Group has raised this with us as well. We have members from Green Action Centre, in particular, that was concerned with that portion of our legislation. Also, Manitoba Industrial Power Users Group was one of the organizations that was really concerned with how our legislation was structured and that it might provide penalties for us with respect to achieving our electric savings targets specifically.

So, that said, that is something that is on our minds. It's something that we are 'discussing' with a table of interest of our energy efficiency group and, you know, discussing ways in which legislation might be able to be improved or enhanced to accommodate our future, if it does include electrification.

But I will say that the legislation, of course, is not for Efficiency Manitoba to be drafting or editing or making. But I do know that the provincial energy strategy is a project that's in the works, that I understand a consultant has been secured to come up with that provincial energy policy framework, and I understand that Efficiency Manitoba's legislation is something that's on their mind as well.

So, I would anticipate that if that is the path that we do, indeed, intend to pursue as a province, that the legislation will be addressed.

Mr. Sala: Thank you for that.

I—so, the last question, just in a follow-up to the work of Efficiency Manitoba, that I have here is about the friction that is experienced by users of the programs.

One thing that we hear is that it can be quite challenging, end to end, for a typical homeowner to be able to take advantage of the broad spectrum of offers that Efficiency Manitoba has on the table.

I think—you know, I've gone through the work myself of going to the website and seeing—I think it's well designed. I think the—you know, the experience online is good but the—what you hear back from users of it is that, end to end, there's some project management skill sets needed to make this work, to be able to work through the process effectively and to take advantage of it. And there's a lot of good programs in there, but it's tough for people to put them all together so that they can take advantage of multiple opportunities at once to save the money that they could

potentially save. So, there's some concerns about friction that we've heard.

I'm wondering if you could speak a bit about what Efficiency Manitoba is doing to make that user experience better, to sort of deprofessionalize or lower the level of skills required in order to navigate that, to allow people to get access to those savings. Because right now, the sense seems to be that it's challenging for people to get access to those dollars. So, hoping for some commentary around that.

And then I'm going to throw in one additional question on top of that, which is I'm hoping you can speak, as well, to the financing offers that are currently on the table from Efficiency Manitoba. I know that a lot of the programs—I know, for example, within geothermal, you've got a financing offer, but there's a 4.75 per cent interest rate attached to that, right?

So, I'm wondering if Efficiency Manitoba has looked at, in the interests of ensuring these programs can be accessible to the lowest income Manitobans who, arguably, would stand to benefit the most from this and should be—you know, we should ensure that they can access those savings; what we're doing to make sure that they're able to benefit from these programs. Because arguably, the financing arrangements, as designed, are cost prohibitive for most people and they're still required to have a big cash outlay at the front.

So, wondering if there's plans relating to increasing the affordability of these programs or improving access specifically around financing. So, there's a financing question and then the question about friction, and then that is it for me today.

Thank you.

Ms. Kuruluk: I'm going to try and tackle this in one response, but if member doesn't mind, I might get a repeat of some of the questions. But I guess we'll start with financing, if that's okay, because that was the most recent portion of your question.

So, financing right now, for Efficiency Manitoba's offers, are offered through Manitoba Hydro, and that is simply because that program had been developed at Manitoba Hydro and that is because it allows for the convenience of the payment being paid back on the hydro bill, which is a really fantastic option for customers. And Manitoba was, I would say, the first jurisdiction in Canada to offer that.

It is a tool that is used very heavily by the industry partners that sell those efficient technologies, whether it be geothermal or air source or insulation or windows. So, it's a very popular financing tool amongst the contractors, which is one of the keys to its success, as a matter of fact.

So, with respect to the interest rate, that is set by Manitoba Hydro. So, I don't have the knowledge on what is made up with that interest rate. It is—the interest rate, as well as the determination of credit, rests with Manitoba Hydro because, of course, the loan being on the customer's bill, it is up to Manitoba Hydro to also collect it.

Now, all of that said, a lot of our programs are offering incentives such that financing isn't even required anymore. So, I would say with, you know, insulation, for example, I don't think you'd find a lot of financing of that technology on the loan, because I think, with our incentive, that the amount of money that's required by the customer to invest just isn't as high anymore. With those customers that are in an income-challenged type of household, I would say that most of our technologies that we're giving them are offered for virtually no cost. So, the requirement for a loan isn't required.

So, the financing component, I would say, is a tool in our toolbox and definitely helps with some technologies, but I think our incentives are a bigger persuader for energy efficiency action.

The other component to financing is a pay-as-you-save model that was offered for communities installing geothermal heat pumps, and that one faced some challenges because it was First Nations communities that had that financing, and it became—it came to our attention that a finance charge, or a loan, wasn't something that was eligible to be on the bills of First Nations households, given that the payment for those bills was largely coming from the federal government. So, they basically halted that pay-as-you-save model.

So, that covers the financing component, I believe. And then I think I'll move to the friction piece.

And so, you know, I mentioned this earlier, we do have a culture of continuous improvement. We have established a customer experience team at Manitoba Hydro—or, sorry, at Efficiency Manitoba, that has a cross-section of residential, commercial, technical folks, communications folks, that constantly looks at the kind of feedback that we have coming through our—whether it's our portal or whether it comes through our contact centre, our multiple channels; and

they're looking at ways that we can improve upon what we're delivering.

In terms of friction and difficulty navigating the process, I'll be honest with you, I—that has not 'comen' up as a criticism that we've had so far.

I do know that there has been quite a bit of confusion with the Greener Homes Grant, which is a federal program delivered by Canada. And that one definitely has an end-to-end requirement that may be more complex, because there's a pre-audit required, and then there's an eligibility that you must implement at least one measure, and then there's a post-audit requirement, as well. When the federal government rolled out that program, there was a very limited amount of energy auditors in Manitoba. So, I know that that caused some concern with Manitobans.

And so, how we're looking to deal with any friction that the federal government program may cause is that we work very closely with the energy auditors that exist in Manitoba. We know all the companies that are delivering that audit program, and we make sure that they are educated on our delivery, our programs, which do not require the pre- and post-audit.

So, a customer can apply for our programs—sometimes we ask for a pre-approval, and that's simply to make sure that the customer understands what's eligible. Because sometimes, with an insulation project, it's hard to go back and add a little more R-value if you've already completed the project, so we want to make—for customer service purposes—make sure they understand what's an eligible installation, whereas others it's a post-purchase rebate. So, we're really trying to simplify that process.

* (13:50)

In terms of trying to address customers that are at various stages of understanding—and, you know, I would look to my parents, for example, who, you know, even though their daughter has been in energy efficiency for the better part of three decades, they still wouldn't know where to start.

So, what we implemented was a virtual energy review, which a customer can do from the comfort of their home on our website. They can go onto the virtual energy review, answer, like, a handful of pretty simple questions that any Manitoban can answer and it would give you some advice on where you can start your efficiency journey. So, that's sort of our basic measure.

When you start getting into more complex customers—you know, commercial customers designing a new, energy efficient building, for example—how we've dealt with some of those situations where the installation of energy efficiency might be more complex, we offer a rebate for energy modelling.

So, for example, you know, in the past, new construction programs have been primarily prescriptive-based. We know that, to get a high-performing building, doing an energy model is a really good idea. And when we offer an incentive to actually do the energy model, customers might look to engage or contract with an energy modeller to help them through that decision-making process.

So, you know, when delivering to all Manitobans, it's no short order. It's a tall order because every Manitoban is different, and that's in residential customers, everyone's different; and then you layer on commercial and industrial customers which, of course, get even more complex.

So, I'm not sure if that addresses the member's question on friction, but I will end my comment or response with that, saying that if there's anyone that's having a challenge participating with Efficiency Manitoba's programs, we are absolutely more than happy to reach out to that customer—or they could reach out to us through many channels—because our intent is to make energy efficiency easy and enjoyable.

And so, definitely don't like to hear that anyone's getting caught up in the process.

Ms. Naylor: Through the Chair, the Manitoba government had previously—they were supposed to develop a green transportation strategy, and it was noted that Efficiency Manitoba was to play a role in, 'prote'—quote, programming support for this strategy.

So, has Efficiency Manitoba had any discussions with government regarding their participation in this strategy?

Ms. Kuruluk: We have not.

Ms. Naylor: Then, through the Chair, I have a question for the minister about the status of the government's Green Transportation Strategy.

When will it be complete and when will it be made public?

An Honourable Member: Mr. Chair?

Mr. Chairperson: The Honourable Mr. Wharton.

Mr. Wharton: Thank you, and you can hear me okay? Okay, great. Thank you, and thank you to the member from Wolseley for the question.

And, as the CEO has alluded to on a number of fronts, the good work that Efficiency Manitoba is doing and, of course, our government is working on a number of fronts as well when it comes to energy efficiency.

And are—we know that energy efficiency is going to be important as we go forward and we continue to do that, and we'll continue to collaborate with our partners, including the federal government, who also will play a role as we build out that next phase, and in partnership with Efficiency Manitoba.

Ms. Naylor: I just don't believe the minister answered my question about the completion of the government's Green Transportation Strategy and when it will be made public.

I—so, I'll repeat that question but I will also ask him to add what role Efficiency Manitoba will play in that future Green Transportation Strategy.

Mr. Wharton: I'm sure the member from Wolseley will continue to say that I haven't answered the question, and I have. And we're continuing to build out the Green Transportation Strategy.

So—and we will continue to do that. And we will work, again, in collaboration with our partners, including Efficiency Manitoba, again, as we build through the process of ensuring that we meet our targets; in collaboration not only with our stakeholders but also with the federal government, who set targets for 2030 and 2040 and 2050 to ensure we meet our targets, to ensure that we are—and we already are—one of the greenest provinces in Canada.

Ms. Naylor: Mr. Chair, can the minister share with the committee when government will be meeting with Efficiency Manitoba to talk about their specific role in the Green Transportation Strategy?

Mr. Chairperson: The Honourable Mr. Wharton—like, when you're putting your hand up, if you could put it a little bit closer because I can never see it.

The Honourable Mr. Wharton, thank you.

Mr. Wharton: I certainly will, Mr. Chair, I'll ensure that I give you the full wave next time. I apologize for that. Not a fan of virtual, as you know.

Certainly, when we continue the process, the member from Wolseley and other members of the House will be fully informed as we go forward, as

they usually are—and they are, will continue to be. The member knows that we are one of the most transparent governments that have been governing Manitoba, and the member knows well enough that she will be informed.

We have a good communication with the member from Wolseley. I would expect that will continue, as well.

Ms. Naylor: I will return to asking questions, through the Chair, of the CEO now.

Has Efficiency Manitoba had any discussions with government regarding the development of a new carbon savings account for 2023 to 2027?

Ms. Kuruluk: Efficiency Manitoba has not had direct conversations with government, but the energy—the EAC, the Expert Advisory Council on the Climate and Green Plan, did receive a presentation from our team in August in—as part of their deliberations and considerations for the next carbon savings account.

Ms. Naylor: Does Efficiency Manitoba have any plans to support enabling technologies and infrastructures for low-carbon and emission-reducing choices like the construction of electric vehicle charging stations or incentives to purchase electric vehicles?

Ms. Kuruluk: Currently, Efficiency Manitoba's mandate is to reduce electricity consumption and natural gas consumption. We're also able to do some fossil fuels with residential customers in terms of home heating, specifically.

At this point in time, there is no legislated mandate to do any transportation fuels. However, it is noted as an item in our regulation that could be added by way of a regulation in the future.

Ms. Naylor: I want to note that I do recall this conversation from last year, that—this long, involved conversation from last year—about the—this not being part of the mandate.

I feel like, last year, the CEO indicated that Efficiency Manitoba would certainly welcome a broader mandate from government around electric vehicles, so, I'm going to ask this question to the minister: Does the government believe the creation of electric vehicle charging infrastructure and incentives for EV vehicles should be part of Efficiency Manitoba's mandate?

Mr. Wharton: Sorry about that, there was a bit of a delay in that question.

If I can ask—and I—it seems like there was a connectivity issue there. Can I ask that—can I get the member from Wolseley to repeat the question? I apologize.

Ms. Naylor: Does the government believe that the creation of electric vehicle charging infrastructure and incentives for EV vehicles is—should be part of Efficiency Manitoba's mandate?

Mr. Wharton: I did hear the question that time, and I thank the member from Wolseley for the question.

And again, as we continue to build through efficiencies in how we can deliver on ensuring we're reducing greenhouse gas emissions, EV vehicles are going to play an important role, as the member knows and Efficiency Manitoba knows—and Hydro knows, as well.

* (14:00)

Being the former minister of Crown Services and the minister for Hydro, certainly, there is a lot of discussion and continued work moving forward on how we can deliver collectively, as a whole-of-government approach with our stakeholders, to ensure that we have the right infrastructure in place so that Manitobans have access going forward.

And I know that other jurisdictions are having struggles with it, but I know that our green, clean grid that we have and are the envy of the rest of the country is going to help us jumpstart and move forward at a lot faster pace when it comes to EV charging stations.

Ms. Naylor: Perhaps there's still a connectivity issue.

So, I'm just going to ask, again, through the Chair: Does the minister believe that the creation of electric vehicle charging infrastructure and incentives for EV vehicles should be a part of Efficiency Manitoba's mandate. And if not, why not?

Mr. Wharton: No, no connectivity problem at all, Mr. Chair. Actually, I'm hearing the member from Wolseley very well.

And, certainly, again, I will answer the question. We believe that EV charging stations are going to play an active role as we go through the process of our energy strategy. And, Mr. Chair—and to the member from Wolseley through you, Mr. Chair—certainly, our Crown corporations are going to play an active role in that.

Ms. Naylor: Will the minister commit to ensuring that incentives for EV vehicles become part of the mandate of Efficiency Manitoba?

Mr. Wharton: Well, certainly, the member knows that I'm not going to pre-judge the outcomes of the current negotiations, discussions, collaboration that we're having with stakeholders, Mr. Chair.

And through you again, the member from Wolseley will certainly, as the rest of the House and Manitobans, as we go through this process—we'll go along with exactly what we're continuing to do, and that's being open and transparent on how we move forward quickly to ensure we make our goals.

Ms. Naylor: I'm going to return to asking questions, through the Chair, of the CEO.

Why was the overall Efficiency Manitoba budget underspent by nearly \$33 million, or 45 per cent of the budget, in '21-22?

Ms. Kuruluk: So, as I mentioned in my opening remarks, the ability for customers to participate definitely hampered in 2022 still with the stay-at-home orders, some lockdowns.

Really, what we found, too, is the lack of the ability to meet in person at conferences, et cetera, really hampered our ability to get out there and sell energy efficiency to Manitobans.

But 65 per cent of our budget is in customer incentives, so when we don't have the customer participation, our budget definitely reflects that through underexpenditure in our incentives. So, while we budgeted, you know, \$48.7 million in incentives for '21-22, we achieved 25.8.

So, obviously, a big proportion of our underspend was in the category of incentives.

Ms. Naylor: I wanted to ask a bit more about the Canadian provincial Energy Efficiency Scorecard. I know that the CEO has spoken already to some of this with questions from my colleague about the rating drop.

But, my specific question is that, in the 2021 report, it's stated that Manitoba was the province who's energy efficiency seemed to be most impacted by the pandemic.

So, I'm wondering if the CEO can speak to why that is and, you know, maybe elaborate a little bit more on the depth of the underspend this year and if that's a contributing factor to this.

Ms. Kuruluk: Can I just get the member to clarify the last part of that question?

Ms. Naylor: Sorry, I was just asking if, kind of, the underspending within the corporation is connected to this, you know, to this idea that Manitoba was the most impacted by the pandemic?

Ms. Kuruluk: So, I'm trying to recall what actual—what portion of the scorecard actually spoke to the impacts of the pandemic.

I do know, anecdotally from talking to my counterparts in other areas of Canada, that Manitoba did have a higher proportion of lockdowns. And so, I know while we were locked down, I believe BC was open; they didn't have the same cancellation in their retail rebate campaigns that we did. So, that was one component.

But I think, in terms of lockdowns and spend, I guess I would point primarily to our geographically dispersed population and, in particular, First Nations communities, where some of our higher, more expensive programming will occur just by nature of trying to reach First Nations. It—with their remoteness, it can be a challenge.

And so, right now, we haven't—as of—as early as February of 2022, we had a meeting scheduled in a First Nation community that was cancelled due to another outbreak of a variant. So, First Nations communities experienced a lot of lingering effects of the pandemic, I think. And I think that's widely known, that, disproportionately, they were impacted by the pandemic. And that's one of the markets that—where we have a higher expenditure to get the same—or, to get energy savings.

Ms. Naylor: Just continuing to reflect on the underspending in the budget, can the CEO speak to why salaries and benefits were underspent by nearly \$2 million?

Ms. Kuruluk: Yes, so it's important to remember when Efficiency Manitoba developed their budget for the efficiency plan, it was done in 2019. And so, when looking into the underexpenditure, there is a portion of that underexpenditure that would have been part of the ramp-up of staffing and getting people in place because that did take place over a period of 18 months or so.

You don't just staff up on day one. So, that was a component of it. So, FTEs not being at their max or what were budgeted for as time went on.

In addition to that, you know, we were bringing on new staff that would've been at lower ranges of the pay scale, whereas the budget was at a higher end of a

pay scale that we budgeted. So, that would've likely reflected that.

Ms. Naylor: How many employees does Efficiency Manitoba currently have, and what is the target number of employees?

Ms. Kuruluk: The target for employees outlined in our efficiency plan was 70 full-time equivalents—or, sorry, 75 full-time equivalents, and we're currently sitting at that capacity, plus or minus, you know, at any point in time, due to summer students and mat leaves and general human resource ebbs and flows.

Ms. Naylor: And why was the employee development budget underspent by 69 per cent?

Ms. Kuruluk: We were too busy, to be honest. The team was very, very busy.

We were implementing an efficiency plan, but also implementing an IT system to make sure that we are delivering more cost effectively and with better ease to Manitobans. So, at this point in time, employees have been otherwise focused on making sure the programs are rolled out and launched.

Pivots and enhancements—although, you know, they sound like they're pretty easy to do, it actually does take time; it takes communication with the market; it takes communication with the delivery partners so they're aware of what that pivot enhancement is.

* (14:10)

So, insofar as the pandemic impacted customers' ability to participate, it also created a lot more work for the team, which, you know, basically gave less time for their own professional and personal development.

Ms. Naylor: Thank you for that.

I'm wondering if you—if there are plans for further employee development in the coming year, in the next budget.

Ms. Kuruluk: Yes, I think if you look at our annual report, we are targeting to be 80 per cent spend.

We've already engaged in some training for employees, whether it be technical training or training with respect to our path to reconciliation. We just put our entire team through the KAIROS Blanket Exercise, which was a fantastic training opportunity for our team.

We've engaged in all sorts of training, but I'll leave it at that.

Ms. Naylor: And, through the Chair, why was contracted services and program delivery underspent by over \$7 million?

Floor Comment: Mr. Chair, can I get member to repeat that question again?

Mr. Chairperson: Ms. Kuruluk—oh, Ms. Naylor.

Ms. Naylor: Why was contracted services and program delivery, on page 18, underspent by over \$7 million?

Ms. Kuruluk: Okay, so that particular category of spend is not the suppliers and private sector delivery partners that I talked about, which is the insulation contractors or furnace contractors that install on our—or, that install as part of their everyday business. That particular category of spend is for our contracted delivery partners.

So, for instant, a contracted delivery partner might be the company that's responsible for picking up refrigerators and recycling them. Another delivery provider might be the folks that go into small businesses and install low-cost, no-cost items and then do defer retrofits on lighting.

And so, with customers not—or, are not—either not able to participate in energy efficiency or focused on other things such as, you know, keeping their staff employed or making sure that their establishment was—had the health protocols in place to accept customers, such as grocery stores—so, those particularly—particular delivery contractors didn't have the same work that they would have been forecasted under our efficiency plan, which was definitely conceived of prior to the pandemic.

Ms. Naylor: Through that—through the contracted services and programs delivery, was Efficiency Manitoba contracting with BUILD for delivery of their programs?

Ms. Kuruluk: We—Efficiency Manitoba had done some work with BUILD in—and I believe it was 2020—and it was some carrier—carry-over activity that had been part of—originally from the Manitoba Hydro Power Smart program. So we had done, I believe it was, 18 homes through BUILD. So, they were one of our delivery partners.

But I believe it was earlier—early in the fiscal 2020-twenty-'twone' year—that they ceased doing insulation upgrades. So, they stopped doing that work, and so they probably wouldn't have—it wouldn't have impacted our '21-22 private—or, contracted services spend, because they weren't doing that work anymore.

Ms. Naylor: Was Efficiency Manitoba satisfied with the work delivered by BUILD?

Ms. Kuruluk: I'm not sure I'd be qualified to say.

It definitely wouldn't have been a program that I would have had day-to-day interaction with. I can't recall of any customer instances that rose to my level of attention with BUILD's work.

Ms. Naylor: I'm just—and I guess I'm just trying to clarify.

It sounds, from what the CEO has said, that it was BUILD, the organization, that ceased doing the work that was required by Efficiency Manitoba, not that Efficiency Manitoba made the choice to stop contracting with BUILD.

Is that correct?

Ms. Kuruluk: Yes, that's correct.

It was—it's my understanding that, in terms of it being a cost-effective model for BUILD, they weren't able to deliver it cost effectively.

So, I think they were challenged, is what I understand, and we do have the former director of BUILD in our employ, so—would be much more apt to answer that than I would.

Ms. Naylor: I want to ask a little bit about the community advocates program.

I know that, as of October, when the CEO spoke at the community meeting, there was reference to funding advocates in five municipalities.

I'm just wondering if there—if we could get kind of an overview of a breakdown of the costs for that program and what, sort of, the lines of accountability are once that funding is provided to municipalities.

Ms. Kuruluk: So, in terms of lines of accountability, obviously we're hiring the energy advocate to be an outreach agent for Efficiency Manitoba to, you know, not only deliver our programs and services, but to develop a community energy plan that's in line with what the community is wishing to see. And so, obviously, they're being hired by the community, for the community. So, there would be a line of accountability that goes directly to the municipality.

What we do is we have a program specialist that's responsible for that particular program and they basically support all of those advocates. So, if they have any questions or if they want supplemental presentations on something more technical, that would be co-ordinated through Efficiency Manitoba.

So, inasmuch as they're being hired by the community, we definitely want to support them. For the program to be successful, we want to make sure that they're aware and have the technical knowledge to help deliver energy efficiency programs in their communities.

Ms. Naylor: So, I'd like to know: what the cost is of that community advocates program? And is the funding provided directly to municipalities? And how does that work?

Ms. Kuruluk: I would have to undertake to get the exact budget of that particular program, but what I will say is that the community energy advocate is—it's a—roughly a \$40,000 funding commitment that we—to help pay for the salary of that advocate.

And, of course, there'll be internal time in the budget, as well, for our staff to support those advocates.

Mr. Chairperson: Ms. Kuruluk—oh, sorry, Ms. Naylor.

Ms. Naylor: I'm moving off that question, just so you know.

Can the CEO provide, in general terms, what role the private sector plays in service delivery, as opposed to Efficiency Manitoba staff?

Ms. Kuruluk: Efficiency Manitoba relies quite heavily on the private sector for delivery. We are not in the business of installing furnaces or installing insulation—or changing lights, for that matter.

So, quite honestly, a real key to our success is making sure that the private sector is as aware of and delivering our programs. And I would even go further to say that many private sector businesses are actually benefitting from our programs.

And so—whether that be through the addition of more staff to help deliver due to increased demand, or whether that's through creating new jobs entirely. So, whether that be—energy advocates is a—or, sorry—energy advisors that do the audits is one of those areas that is a green job that's being created through energy efficiency; but also, energy modellers.

* (14:20)

And I alluded to funding an energy model for designing new buildings earlier on, and that was definitely a profession that didn't exist, say, 10 years ago. So, it's something that's definitely evolving, both with programs but also with the direction of building code. So, those private sector businesses are super critical to Efficiency Manitoba.

In addition—that's the private sector, non-contracted, and then, of course, there's the contracted private sector companies, as well, that are also critical. Because the example I gave early with—earlier with the fridge retirement program, again, those were jobs that were all new to Manitoba in terms of getting the truck drivers that go and pick up and bring the appliance out of the home through to the warehouse that kind of disassembles and makes sure the parts are sorted to be responsibly recycled.

Ms. Naylor: I have a few more budget questions, but since there was just a reference to the pickup of appliances, I have a question related to the old appliance recycling program, so I'm going to jump to that.

Through Power Smart, Manitobans were being paid \$50 to recycle old fridges. Now it's \$30, quite a few years later.

Can the CEO speak to why this change?

Ms. Kuruluk: So, with the old—so, first of all, the fridge retirement program targets a specific age of fridge.

Mr. Vice-Chairperson in the Chair

And, as time goes on, the number of those fridges in the market are getting lower and lower. So, in terms of designing or enhancing a new program, what we did with that particular program is aim to pick up additional appliances, so I do believe we take dehumidifiers and freezers as well.

But in terms of the reduced cost, you get to a point with the market where the incentive may not matter anymore. So—and I'll give an example of a person that I used to report to who has basically said she needs her second fridge to hold her—she has two boys, and they drink a lot of milk, and so her four litres are not in her main fridge, they're in her second fridge. Equally so, my sister will not relinquish her second fridge, no matter what we pay.

So, just an enhancement, you know, to make changes. But the—really, there's not a lot of fridges of that vintage left anymore that we think we can still—

Mr. Vice-Chairperson: Ms. Naylor.

Ms. Naylor: I'm just going back to the questions about budget in the annual report.

On page 24 of the annual report, it says that Efficiency Manitoba's customer contact centre is operated through a Winnipeg-based business.

So, what is the name of that business, and what is the cost of the customer contact centre?

Ms. Kuruluk: The name of that Winnibeg [*phonetic*]-based firm is Direct Focus, and I do not have that level of breakdown at my disposal right now for the contact centre.

Mr. Vice-Chairperson: Ms. Naylor.

Ms. Naylor: Welcome to the chair, Chair.

Can—I would like to ask if the CEO can provide that to the committee after we meet?

Ms. Kuruluk: That's a competitively tendered contract, so I think we're somewhat reluctant to publicly—put what they're bidding for us on a public record.

Ms. Naylor: So, if I'm understanding that correctly, then Manitobans don't know, kind of, what is being spent for—to deliver services of the Manitoba government?

Ms. Kuruluk: I think when we were establishing the reporting framework for our financials and our annual report, we rolled that up into contracted services for that specific reason of, you know, not wanting to reveal to competitors what successful private sector businesses are getting paid for from our services.

Ms. Naylor: Can the CEO describe the advertising activities taken by Efficiency Manitoba?

I'm aware that there's been substantially more advertising in this past year, and I remember us talking about advertising a year ago, but where they are—things are at now—are these advertising activities effective and sufficient to meet the needs of the corporation?

And can she also describe the overall amounts expended on advertising?

Ms. Kuruluk: Yes, I recall this topic from last year, as well. So, maybe I'll just start with just a description of the type of advertising that Efficiency Manitoba engages with and starting at the very highest level, the brand advertising.

So, that would be some of the television spots that have been airing, that I'm sure everyone has seen, that talk about Efficiency Manitoba: who we are, who we're serving, and what we're intending to do for Manitobans. And that's at the very, very high level.

We then go into sort of sector-based marketing activities. So, I'll give an example of the commercial market, for example, or maybe even a more relevant market today would be, because we're just at the

conclusion of it, but a trade-show booth at the home show is a sector-based marketing strategy that is targeting the entire residential sector.

And then, finally, the most detailed—or, the granular level of marketing and advertising that we do is right down to the program level, and an example of that would be the—what we call the you-can-too campaign for our energy efficiency assistance program for—targeted at income-challenged Manitobans.

Mr. Chairperson in the Chair

And so, that's the type of advertising that we do at the three different levels.

We can say that in '21-22, we had a budget of just over \$2.4 million; only spent 1.48, but that was largely because our brand campaign released a little bit later than we had anticipated, so the media buy for advertising campaigns is usually the lion's share of those costs.

But I can tell you already here that we're budgeting \$2.3 million or \$2.4 million for '22-23, and that's looking like it's going to be fully spent.

So, Efficiency Manitoba is definitely upping our advertising and promotion to Manitobans so that we can be assured that Manitobans are aware that we exist and that the programs and offers are there to help them with their energy efficiency.

Ms. Naylor: So, one final question about the budget.

Is the underspending in any of—every area that we've indicated the underspending, does that get rolled over into next year's budget, or what happens with that revenue that hasn't been spent?

Ms. Kuruluk: In our category of advertising, in particular, we're planning to even up our game a little bit more with our advertising budget and spend roughly \$3.4 million for our '23-24.

Ms. Naylor: And for all the operations, the staff expenditures, everything, all the budget items that I asked about where there's underspending, do those get rolled over into the next year's budget?

Ms. Kuruluk: Yes, and I remember this budget question from last year, as well. And we really—we really struggled to land on this one.

And so, where I'm going to start is: Manitoba Hydro is legislated to provide the funding that Efficiency Manitoba needs for the activities it wants to engage with. And so, given that we are now going into a period where we're going to have to make up

some savings shortfall, we are suspecting that that's going to maybe cost a little bit more, or it might cost exactly the same as we had projected in year 1, but now it's year 3 or year 4.

So, either way, what happens with respect to our activities is when we do our call to Manitoba Hydro for what we need—and we do this on a monthly basis—Manitoba Hydro is legislated to provide that funding to us. So, if our budget was, say, roughly \$6 million a month to do all the activities that we're projecting for that year, and it happened to be \$8 million because we are anticipating a big industrial customer to close or we had a big swell in First Nations participation, Manitoba Hydro would give us \$8 million.

* (14:30)

So, whether that's a carry-forward or whether that's a commitment to get the money that we need to deliver on the programs—I would say it's probably more so the latter—but if we want to characterize it as a carryover, I guess we could say it's kind of like a carryover.

Ms. Naylor: In 2018, there was a really popular two-year solar rebate pilot program that was scrapped by Manitoba Hydro, was handed over to Efficiency Manitoba with a promise to launch a new program. So, we know this program recently launched in August.

Can the CEO explain why it took so long to relaunch the program?

Ms. Kuruluk: Sorry, Mr. Chair, can I take a pause for a minute?

Mr. Chairperson: Ms. Kuruluk.

Ms. Kuruluk: So, I first want to correct the characterization that the program was handed over to Efficiency Manitoba, because that wasn't quite correct. It was a two-year pilot at Manitoba Hydro that was intended to end in 2018.

But our efficiency plan did contemplate a solar photovoltaic program, but it was always contemplated in year three of the efficiency plan. So, we did deliver on that as intended in our third year, launching that program in August of this past year.

Ms. Naylor: Thank you for that clarification.

I note that there's some major differences between the new solar rebate program and the old pilot program. The original pilot project for businesses provided \$1 per watt installed for projects up to 200 kilowatts, and the new program for businesses

provides 50 cents per watt installed for projects only up to 50 kilowatts, so a maximum of \$25,000, which is less generous than what was being provided originally.

So, can you explain—can the CEO explain why the new program is less generous than the original program?

Ms. Kuruluk: So, the previous Manitoba Hydro program was a pilot program, and so, you know, based on an assessment of the outcomes of that program, we designed a solar rebate program that we thought was at a reasonable incentive level.

One of the things that came to light as we were designing the program at Efficiency Manitoba was that the Greener Homes program was going to be coming to the market, and it was also going to be offering an incentive for solar, up to \$5,000. So, we felt, combined with that \$5,000, that a—50 cents per watt was a sufficient incentive level to encourage customers to partake with that program.

Ms. Naylor: When Manitoba Hydro originally launched the Solar Rebate Program, they were expecting about 100 applications and then received more than 1,500.

So, how many applications does Efficiency Manitoba expect to receive for the new program for businesses, and how many have they received so far? And, also, how many for the homeowner rebate program?

Ms. Kuruluk: So, I don't have the data of how many have been received through the program. What I will say is, regarding our residential program, we're aiming to make that participation a little bit easier by not having a preapproval requirement for customers.

So, that should hopefully get us some more participation, but I do not have at the ready our current intake of both residential and commercial.

An Honourable Member: Mr. Chair, I seek leave from the committee to ask a question.

Mr. Chairperson: In response to Mr. Lamont's request, the critic does hold the floor, and if the critic wishes to give you permission to ask a question, then you may do so, but you must consult with the critic first.

Ms. Naylor: I still have a number of questions to ask at this time.

So—okay, now, I've lost my train of thought. Okay, so thank you for answering the question about—

not sure about the amount of applications at this point—and forgive me if I—if this information is publicly available and I don't know, but have applicants begun receiving funding for this program? I know it just launched in August.

And if so, how many?

Ms. Kuruluk: So, I do know that, especially through the residential customer where there—market, where there's no preapproval, I know that there have been rebates paid for solar installations, for certain.

Ms. Naylor: And regarding the applications for businesses for the Solar Rebate Program, what are the sizes of the projects in kilowatts, and is there many that are above—like, applications above that threshold of 50?

Ms. Kuruluk: So, as much as I'd like to be helpful here, I'll again say I don't have the detailed applications and the status of those applications at Efficiency Manitoba. We do have over 40 programs, so it's not something that I have at the ready. So, I apologize for that.

Ms. Naylor: Have there been any advertising campaigns for the new Solar Rebate Program, and are those advertising campaigns ongoing?

Ms. Kuruluk: So, I wouldn't say there'd been advertising campaigns per se. We do advertise the solar program on our website. We've had contractor sessions to discuss the program and its eligibility details with contractors that install solar PV, but I would say no specific advertising campaign per se.

We do have materials and pieces that are developed that could be used as handouts at the home show, for example. I suspect we do have some sort of handout that we could put that provides the details for solar applications.

Ms. Naylor: Thank you.

Mr. Sala: Just building on that, I—just curious if the CEO can comment on whether or not she'd use solar or the expansion of solar in Manitoba as an energy efficiency plinth.

Ms. Kuruluk: Yes, so solar will reduce a consumer's energy if the sun is shining while they're using the energy, and that's a key component.

So, the part that Efficiency Manitoba is responsible for is called the displaced energy, and that would be when the solar is producing and you're using energy, that energy will be displaced by your solar system. And so, that's the component of the solar

installation that we're able to rebate and that we count towards our target energy savings.

So, insofar as that will happen, then absolutely. With a 1.5 per cent-of-load energy savings target for 15 years, we are employing every measure we can to reach those targets.

* (14:40)

So, we definitely think solar is part of that solution for getting our targets.

Ms. Naylor: Now I want to ask a little bit about the work going on in terms of outreach with Indigenous community groups.

On page 16 of the annual report, it says that there were two Indigenous Energy Efficiency Working Group meetings held in 2021 and 2022.

Can you tell us about where these meetings were held and how many participants there were?

Ms. Kuruluk: So, it's my understanding—and the member is referring to the Indigenous Energy Efficiency Working Group—and it's my understanding that invites went out to all 63 First Nations, as well as the different tribal councils and the MMF, the Manitoba Métis Federation. And I believe there's roughly 25 to 30 per cent attendance at those meetings.

And of course, given the situation, those were virtual—both were virtual meetings.

Ms. Naylor: How many IEEWG meetings will be held in 2022-23?

Ms. Kuruluk: So, I believe there's one coming up. And, I mean, '22-23 is nearly concluded.

Can I have a moment, Mr. Chair?

Mr. Chairperson: Yes, you may have a moment.

Ms. Kuruluk: Sorry, I wanted to confirm before I put it on the record.

So, yes, there will be one more Indigenous Energy Efficiency Working Group this year. That will be the one meeting that we've had. However, there has been direct outreach to the First Nations directly, so it's not the only Indigenous community contact we've had, and that's what I wanted to make sure that we were clear on.

So, even though the Indigenous Energy Efficiency Working Group is really critical to make sure that we're implementing the programs in a way that makes sense to First Nations communities and Indigenous peoples, First Nations communities have their own

distinct ways that they'd like to see energy efficiency rolled out, as well.

So, there has been lots of contact with individual First Nations, and I do believe that we've even gone so far as—I think we've signed roughly four contracts with four communities to start doing some of the direct install delivery.

Ms. Naylor: Okay, I have to now refer to my notes.

I was—I did watch the community meeting that you held. I want to commend you—it was very well done and covered a lot of information and spent a lot of time on questions from the community, so it was helpful for me and I appreciated it.

I—you noted there—sorry, the CEO noted there that 11 First Nation energy efficiency advocates had been funded starting in April of last year.

So, my question is if—how many applications there actually were and if you could also—I know that the program was closing for funding applications in December, so if we could also hear how many additional applications came in, that would be great.

Ms. Kuruluk: So, Efficiency Manitoba's super happy to report that, for those 11 communities that we awarded funding to in April of 2022, there was 11 applications.

So, even though our efficiency plan projected there to be interest from three communities, I think, largely due to our discussions with the Indigenous Energy Efficiency Working Group, we actually had more interest than we suspected, and it was an easy decision to fund all 11. So, that's the existing intake.

And you did mention there was another intake in the fall, and I do not have the data yet on where we're at with respect to those advocates.

Mr. Sala: We know that the Province is currently in the process of developing an energy policy that was due out recently.

I'm just wondering if the CEO can comment on the expected impacts of that policy on Efficiency Manitoba's future direction?

Ms. Kuruluk: So, Efficiency Manitoba was engaged as a stakeholder, and obviously a pretty key stakeholder with the provincial energy strategy. So, in terms of impacts to us, I mean, I don't know specifically what's going to be our impact.

What I can say is, with energy efficiency, everybody knows that it is a key strategy for making

sure that the load of a building is as low as it can be, which helps with any kind of potential net zero target.

And so, energy efficiency—probably don't need a provincial strategy to tell us that we need to do a lot of energy efficiency. It is—it's the most cost effective technology that's out there and, in most cases, is technology that exists today to achieve energy efficiencies.

So, definitely important part, and I suspect it will be a very important part of the provincial energy strategy going forward.

Mr. Sala: And we know that Hydro's currently in development of an IRP, and that was mentioned, I believe, in the annual report or was mentioned today.

I'm just curious if you can help to clarify what kind of inputs Efficiency Manitoba provided to that IRP process. And I assume that some of that would have focused on expected efficiencies and, sort of, helped them to inform their load forecast.

I'm hoping the CEO could just provide some clarity as to what was provided to Hydro in their IRP development and how Efficiency Manitoba contributed to that process.

Ms. Kuruluk: So, again, Efficiency Manitoba was a key stakeholder to Manitoba Hydro's integrated resource planning process, both as a stakeholder, but, as you've mentioned, as an input into the process.

So, we provided—our efficiency targets go into the load forecast as a base component. So, they are counting on us to be achieving our targets as part of the integrated resource plan.

And then the market potential study that we haven't talked about a lot, but—had three scenarios that were modelled for future—the future of energy efficiency in Manitoba. So, there was a reference scenario, which was what we're doing today, and then there was an enhanced scenario and a maximized scenario.

And it is my understanding that the enhanced and maximized scenarios were components that got modelled into the integrated resource planning process.

Mr. Sala: Thank you very much for that.

One thing that I'd wanted to ask a bit about and just sort of broaden a bit here, and—just out of curiosity: so, in the past, there was a sense that Power Smart was taking on DSM initiatives or projects that were really, like, more visionary or broader in scope;

that they would identify end uses, look for where there was a lot of waste and opportunities to sort of offer fridge rebates, this kind of thing.

There are folks that have identified that, throughout northern Manitoba in areas that are not served by natural gas, you have a huge number of homes that are currently heated by electric resistance heat, where you've got potentially huge efficiency opportunities there if we were to look at offering opportunities to convert those homes into electric heat or resistant—or either in-ground heat pumps or other types of heat pump technologies.

Does Efficiency Manitoba look at those—assess for those really big-picture opportunities?

And I ask this because, you know, there's clearly a lot of good work going on with these incentives, and we're offering products and light bulbs and toilets and et cetera at discounts. But, if we think about efficiency more broadly, the biggest kahuna here is a, like, really transformational change in home heating and transportation, right?

And so, when I hear us talk about the work that's being done, I see a lot of good things happening, but it doesn't seem as though we're really going for those big opportunities that could help people to save real money and could really help to drastically move us down a path of electrification in Manitoba.

* (14:50)

I'm just curious if you could just speak just sort of more broadly whether or not Efficiency Manitoba would like to be taking on or pursuing those types of more transformational initiatives. If so, is it hindered in doing that?

What's the 'perspect' of the CEO in terms of, you know, the willingness or the ability of Efficiency Manitoba to pursue those really big opportunities that can help us truly move down a path of increasing efficiency and change in terms of our energies?

Ms. Kuruluk: There's lots to unpack in that question, but I think I've captured all of it.

In terms of—I think it was—I think the terminology used was transformational energy efficiency opportunities. And so, the market potential study that we just completed in August of this year was essentially that road map as to what exists out there—transformational. Where are the big energy savings and what kind of budget will need to be spent in order to capture them? And so, that was a big component and that is essentially our road map.

So, is Efficiency Manitoba interested in it? Absolutely; that is our mandate. To say—I think there was a reference to it happening before but not now, and I would definitely say that that is not the case. So, we are definitely looking for transformation opportunities.

In terms of home heating, and specifically in—the North is an area that we will always proceed cautiously with only because we don't want customers to be without heat. Even cold climate air source heat pumps do have challenges in the worst of Manitoba weather.

And so, I believe there was an article in the Free Press just about a month ago about a customer that didn't know what to do because their air source heat pump had frozen up and wasn't working. And so, we definitely don't want to be in a situation where customers are not able to get heat from their system, and hence the commentary I made earlier about necessitating a backup system in all cases for air source heat pumps in Manitoba.

So, I can't speculate whether that technology will eventually get to the point where it really is a cold climate air source heat pumping and—actually sustain Manitoba winters. But at this point in time, we are looking at installing them.

We do offer an incentive for them, but the cost of doing an air source heat pump in Manitoba, by nature of needing that backup system, is definitely more than what it is in other markets. And so, right now, with—in partnership with the Greener Homes program, there's more money on the table to install an air source heat pump, but there's also some caveats that come with that, which is, you know, you need to make sure that the backup system is speaking with the air source heat pump.

And so, I believe—and I might look to my left for a confirmation of this because I do believe my board chair experienced this exact same thing, but I believe that in order to qualify for the Greener Homes Grant, you need to install a new heating system along with the new air source heat pump, which, of course, exacerbates the cost of installing that system.

And so—and that is the challenge, but we do have an incentive available for air source heat pumps. I would just proceed very cautiously with doing that in First Nations communities to make sure that they do have a backup system and that the backup system is speaking with the air source heat pump.

The other thing that we're also doing is, you know, our Innovation Fund. So, our Innovation Fund is really looking at what's next out there that hasn't even been contemplated in the market potential study. So, what are the new technologies that are emerging that could be implemented in the future?

And so, the Innovation Fund is definitely one of those components that the Efficiency Canada scorecard commended Manitoba for. We've done several presentations with Efficiency Canada so that our counterparts across the country can hear about how we're doing that. And so, that's another area where we'll intend to, you know, really, I guess, you know, up the game and look at technologies and try and get energy efficiency in the market.

One of the other things that we're doing, of course—and this was highlighted in the market potential study—is the industrial custom projects, if we want to talk about energy savings, and moving towards our target is a huge component. You know, a residential house only uses so much. Industrial customers use quite a bit more, and so there's a lot of energy savings opportunities there.

And then, of course, just generally speaking, like, we're looking to transform the culture so that it's not just about installing a technology; it's a mindset. So, that's really important, too.

And the home energy report that I mentioned earlier, in the market potential study—that was indicated as a technology that could be implemented to save energy—it is all about changing customers' behaviours. And it's—it'll be a new program for us, but it's basically what they call in our industry a behaviour-based program, which is, you know, relying on customers to change their behaviour in their household or their business.

And it comes with a whole different way of—a third party evaluation on that type of program, but that's another area that we're looking to kind of make some changes and, you know, get to the point where energy efficiency is implemented throughout Manitoba.

Mr. Chairperson: Before I recognize Mr. Sala, I'd just like to remind everybody as to the previous agreement to go 'til 3 o'clock, but we did start at—three minutes late, so we will go until 3:03, at which time I will start calling the questions.

Mr. Sala: Thank you so much for that answer. I just wanted to follow up on that.

And one concern, of course, is that, as we move down the path towards increasing our levels of energy efficiency in Manitoba, we have to be extremely judicious and cautious about contributing to peak-peakiness here in Manitoba. Air source heat pumps are concerning in that they have—pretty inefficient, sort, of COPs, as you probably know.

So, does the CEO have concern, I guess, about a significant onboarding of air source heat pumps and a contribution to that, which ultimately would drive higher rates for Manitobans?

Ms. Kuruluk: I mean, that—increasing demand at the time when Manitoba needs it most is definitely a concern.

I know that we've looked at—Hydro-Québec has a program out right now that actually maintains an air source heat pump, but with a gas furnace backup, which eliminates that peak requirement. So, that would be the one place where we're adding load, is if we're taking that gas furnace and switching it to an electric backup.

But, you know, our program does allow for a customer to keep the gas furnace as a backup.

Mr. Sala: And then just one more question about financing.

So, earlier we talked about the advantages of on-bill financing and how Manitoba has been an innovator in that space, and I think we've got lots to be proud of in that area.

PACE financing is another type of financing that's used in other jurisdictions, and I know that there's a variety of opinions out there, but some are making really good use of that, especially for commercial and sort of larger buildings.

I'm hoping that the CEO can provide some comment on whether or not PACE financing has ever been explored or thought to be a tool that we should be looking at—*[interjection]*—yes, I'm done here—a tool that we should be using here in Manitoba.

Ms. Kuruluk: Yes, and the PACE financing that the member's referring to is—I think it's called property

assessed clean energy—yes, that's correct—and where the financing charge is placed on the tax bill of the customer. And so, it—where jurisdictions haven't had any financing, it definitely has been something that has helped the market.

It is something in terms of—right now, we don't have any financing for commercial customers. It is not something I've heard of from our commercial customers that is required, but certainly it would be something we'd be willing to look at if they feel like there's a big stumbling block and the investment is too much to bear and that they'd need a financing tool in addition to our incentives. So, you know, I guess in markets where there's no financing at all, it could be helpful.

* (15:00)

And, yes, I guess I would leave it there. If it's something that our customers would like us to investigate, then I suspect it's something that we'll hear about and that Efficiency Manitoba would look into.

Mr. Chairperson: Seeing no further questions, I will now put the question on the reports.

Annual Report of Efficiency Manitoba for the fiscal year ending March 31st, 2019—pass.

Shall the Annual Report of Efficiency Manitoba for the fiscal year ending March 31st, 2021 pass?

Some Honourable Members: Pass.

Mr. Chairperson: Sorry, we had a typo error, here.

Annual Report of Efficiency Manitoba for the fiscal year ending March 31st, 2020—pass; Annual Report of Efficiency Manitoba for the fiscal year ending March 31st, 2022—pass.

The hour being 3:01, what is the will of the committee?

Some Honourable Members: Rise.

Mr. Chairperson: Committee rise.

COMMITTEE ROSE AT: 3:01 p.m.

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