

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

Chairperson
Mr. Dennis Smook
Constituency of La Vérendyre

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MANITOBA LEGISLATIVE ASSEMBLY
Forty-Second Legislature

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ALTOMARE, Nello	Transcona	NDP
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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON CROWN CORPORATIONS

Thursday, January 13, 2022

TIME – 9 a.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Mr. Dennis Smook
(La Vérendrye)

VICE-CHAIRPERSON – Mr. James Teitsma
(Radisson)

ATTENDANCE – 6 QUORUM – 4

Members of the committee present:

Hon. Mrs. Guillemard

Mr. Isleifson, Ms. Naylor, Messrs. Sala, Smook, Teitsma

APPEARING:

Mr. Dougald Lamont, MLA for St. Boniface

Ms. Jeannette Montufar, Chairperson, Board of Directors, 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, 2021

Annual Report Supplement of Efficiency Manitoba for the fiscal year ending March 31, 2021

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Clerk Assistant (Mr. Tim Abbott): Good morning, everyone. 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 new Chairperson. Are there any nominations?

Mr. Len Isleifson (Brandon East): I would like to nominate Mr. Smook.

Clerk Assistant: Mr. Smook has been nominated. Any further nominations?

Seeing none, Mr. Smook, please take the Chair.

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

Are there any nominations?

Mr. Isleifson: I would nominate Mr. Teitsma.

Mr. Chairperson: Mr. Teitsma has been nominated. Are there any other nominations?

Hearing no other nominations, Mr. Isleifson is elected Vice-Chairperson. This meeting has—*[interjection]* Oh, sorry—Mr. Teitsma. Sorry. I'm looking at the wrong person, there.

This meeting has been called to consider the annual report of Efficiency Manitoba, including supplement, for the fiscal year ending March 31st, 2021.

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

Mr. Isleifson: Until we're done, the business is completed.

Mr. Chairperson: It's been suggested that we sit until the work of the committee has been completed. Are all in favour? We need a verbal agreement, so if people could agree 'verbally'—verbally? *[Agreed]*

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

Hon. Sarah Guillemard (Minister of Conservation and Climate): I would like to make an opening statement, Mr. Chair, yes.

Mr. Chairperson: The Honourable Ms. Guillemard.

Mrs. Guillemard: I'm very pleased to welcome Dr. Jeannette Montufar, chair of the Efficiency Manitoba board of directors, and Colleen Kuruluk, CEO of Efficiency Manitoba, for their first appearance at a Standing Committee on Crown Corporations.

With me today from the Department of Conservation and Climate are Jan Forster, the deputy minister, and Neil Cunningham, the assistant deputy minister.

Efficiency Manitoba is here today to talk about their first operational year and annual report for

the fiscal year ending March 31st, 2021. Our government moved forward with a new vision for energy efficiency in Manitoba through the creation and commencement of Efficiency Manitoba on April 1st, 2020, with the proclamation of The Efficiency Manitoba Act in January 2018, our appointment of a board in May of that year, along with their work to hire Colleen and see Efficiency Manitoba prepare and file their first three-year plan for energy efficiency in 2019. None of us had a sightline on the pandemic that would precisely coincide with Efficiency Manitoba's official commencement date.

I've been really pleased to see the progress that Efficiency Manitoba has made in their first 20–21 months of operations. While this time hasn't been in accordance with the three-year plan prepared pre-pandemic, they have been adapting, safely rolling out new programs and offers, cost-effectively enhancing existing offers and applying their expertise to reach Manitobans to drive their participation in programs which result in energy and bill savings for consumers.

Energy efficiency is the cheapest and cleanest way for Manitoba to meet a portion of our growing energy demands and address climate change concerns. It reduces energy costs, reduces greenhouse gas emissions and creates green jobs. We remain committed to the long-term success of Efficiency Manitoba and all the benefits that this organization delivers to our citizens.

Thank you very much. Merci. Miigwech.

* (09:10)

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

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

Ms. Lisa Naylor (Wolseley): I do, thank you, Mr. Chair.

Mr. Chairperson: Ms. Naylor.

Ms. Naylor: I'm excited for the first-ever standing committee on Efficiency Manitoba. I want to thank Colleen Kuruluk, the chief executive officer for Efficiency Manitoba, as well as Dr. Jeannette Montufar, the board chair of Efficiency Manitoba.

In addition, I thank Minister Guillemard and her staff for their participation today, and I look forward to the opportunity to discuss important issues in this

setting for the first time, such as Efficiency Manitoba's three-year plan, targets, mandate, programming and funding.

Efficiency Manitoba's role is incredibly important as we move—as we navigate the climate crisis together and work to provide sustainable, affordable options for Manitobans moving forward.

I want to thank you all for being here and I look forward to some meaningful discussions today.

Mr. Chairperson: We thank the member for the statement.

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

Ms. Jeannette Montufar (Chairperson, Board of Directors, Efficiency Manitoba): Good morning, everyone. Let me just lower my hand. There.

As chair of the Efficiency Manitoba board of directors, thank you for the opportunity to participate virtually today. I've had the honour and privilege of being chair of the Efficiency Manitoba board of directors since the initial creation in May of 2018.

At the time of the establishment of this board about, you know, two years before the official commencement of the organization, it was recognized that there was significant work to get the organization up and running. As anyone that's started a new business can attest, it's not for the faint of heart. Dedication, resilience, determination are required in abundance.

Now, Colleen will highlight the tremendous accomplishments of this new organization, notwithstanding the fact that they had their start at a never-before-seen pandemic arriving in Manitoba and something that has persisted across the world for the—to the present day.

Now, in the face of a global health crisis and economic recession, Efficiency Manitoba was still able to foster partnerships with the private sector, develop infrastructure to help the Manitoba supplier network build their businesses while delivering programs to customers and make progress on innovative approaches to energy efficiency.

The board is extremely proud of how this new organization and its employees have carried out the critical work of establishing a strong foundation while safely delivering programs and energy-saving opportunities to Manitobans.

Efficiency Manitoba has 15 years of projected electric energy and natural gas savings to achieve.

This first operational year has provided the initial steps towards achieving the long-term vision for an economically robust, environmentally conscious and energy-efficient future.

Those are my opening statements, Mr. Chair. If you will allow me, I know Colleen, our CEO, would also want to make some opening remarks.

Mr. Chairperson: Thank you, Ms. Montufar.

Ms. Kuruluk has an opening statement?

Ms. Colleen Kuruluk (Chief Executive Officer, Efficiency Manitoba): It's my pleasure to be with you today and answer your questions following brief opening remarks that will be over the next 10 minutes or so.

Before I begin, I respectfully acknowledge that while we meet on a virtual platform, we are on Treaty 1 territory, the traditional gathering place of the Anishinabe, Cree, Oji-Cree, Dakota and Dene people and the traditional land of the Métis people and the heart of the Métis nation.

It's also important to acknowledge that we work with and serve all five treaty territories in Manitoba. Every time we acknowledge this truth, we have an invitation and an opportunity to reflect on what we do and what we can do to make Manitoba a better place for everyone who lives here.

Through my remarks this morning, I'll talk a little bit about the journey to bringing Efficiency Manitoba into existence; our April 1st, 2020 official commencement coincident with the global pandemic; our achievements, despite the very challenging backdrop that we—alongside, of course, all Manitobans—have faced over the last 21 months; and how we're continuing to make progress on a long-term vision and mandate for this organization while still contributing to green economic recovery.

For those of you that might be less familiar with Efficiency Manitoba, we're a new Crown corporation committed to achieving significant annual energy savings targets by offering cost-effective programs and services to Manitobans.

The origins of Efficiency Manitoba go back to a Public Utilities Board recommendation as part of Manitoba Hydro's needs-for-and-alternatives-to-review in 2014 to approve construction of hydro generation and transmission assets. At the conclusion of that hearing there was a recommendation, and that recommendation was to create a separate entity in Manitoba responsible for energy efficiency.

That recommendation from the PUB was accepted by the government at the time, with further steps taken by the current government to see The Efficiency Manitoba Act proclaimed in 2018 and a board of directors subsequently appointed.

While we hadn't yet officially commenced the journey, between mid-2018 and our official commencement on April 1st, 2020 was filled with a significant amount of work to operationalize this new organization. Upon my start with Efficiency Manitoba in January of 2019, I immediately got to work with the board to establish the strategic framework considering the mandate and ministerial expectations set for the organization. I hired a very small start-up team to carry out many key pre-operation priorities.

Of critical importance, of course, was to establish our first three-year plan for energy efficiency, which was a monumental undertaking in and of itself. It was a preparation of a rigorously large 591-page publicly available document, and our plan outlined a new future for energy efficiency in Manitoba—a future with a renewed customer and stakeholder focus, complete with new and enhanced programs, a focus on innovation and continuous improvement, and all provided by a lean and nimble organization.

Beyond the preparation of our first three-year efficiency plan, we were setting the foundation for implementation of a customer relationship management, demand-side management system integral to the efficiency of our operations and simultaneously developing our website and customer program material to deliver the enhanced customer experience we set out to achieve.

I mentioned stakeholders earlier, and key was the establishment of our Energy Efficiency Advisory Group, our EEAG, including representation from Indigenous, consumer, environmental, industry, community and other stakeholder groups. The EEAG and the more recently established Indigenous Energy Efficiency Working Group have been at key connection points to those that we seek to reach with our programs. We valued their input as we developed our plan, and now as we implement that plan for energy efficiency in Manitoba, we are also valuing input from those groups.

We're committed to making sure our programs are inclusive and consider the diverse needs of Manitobans, from homes, communities, businesses, industries and farms. We have programs serving residential, commercial, agricultural, industrial, income-qualified and Indigenous customer segments. In

anticipation of our commencement in between when I was hired and April 1st, 2020, we were also undertaking steps necessary to set up a business and ready ourselves to have employees to carry out our work. This included IT, procurement, accounting and HR factions.

And as we were undertaking each of those significant activities in anticipation of our official commencement, we participated in a rigorous, three-month regulatory process spanning from the filing of our three-year plan on October—in October of 2019, through to the end of a three-week-long public hearing process with the PUB in January 2020. The process, which was the first time demand-side management had been the sole focus of a hearing, resulted in over 950 information requests and included four intervening organizations, eight independent experts and 12 public presentations. Needless to say, we are very pleased to receive approval on March 31st, 2020 of our three-year plan with minor amendments, which permitted our official commencement on April 1st.

Talking a bit more about the plan and some of the information featured in our 2020-2021 annual report, our targets at 1.5 per cent of annual electric consumption and 0.75 per cent of annual natural gas consumption are materially higher than past achievements in Manitoba. These are 15-year energy savings targets with surpluses and deficits carrying forward to subsequent years. The long-term nature of these targets is especially important considering the context that has surrounded all Manitobans during these early months of our operation.

Both the prior and current governments saw the potential and value that energy efficiency would continue to bring in a manner enhanced beyond that previously seen in Manitoba. The benefits are more numerous than I can cover in my short remarks, but some of the key ones include reducing energy use and cost for homes and businesses, mitigating customer bill increases as energy rates increase, reducing greenhouse gas emissions through reduction of natural gas usage, deferring the need for new utility infrastructure to serve energy needs in Manitoba and supporting green jobs and economic growth. And all these benefits have been even further highlighted during the pandemic and as we look towards a greener post-pandemic future.

* (09:20)

Moving into Efficiency Manitoba's first operational year of 2020-2021, the COVID-19 pandemic impacted operations right from the beginning.

In addition to immediately mobilizing our workforce and our work—virtual work model, we didn't proceed with a broad public launch in April 2020 due to the sensitivities that arose from the pandemic. Programs with in-home and in-business components were hit especially hard during the provincial stay-at-home restrictions and business shutdowns and still remain as an issue for businesses that are restricting access or homeowners that are following advice of public health officials to limit their contacts.

In addition to operationalizing our business during our first year, we were implementing modifications and safety protocols to mitigate the spread of COVID while seeking ways to offer programs when it was safe to do so. Throughout the pandemic, we implemented program modifications to align with evolving and changing public health orders. Our intent with pandemic-related programing modifications was to continue to have programs available for Manitobans where appropriate and permitted, while safely driving customer participation along with the associated energy productions and bill savings and environmental benefits.

From our financial statements included in our 2020-2021 annual report, you will have noted that our expenses of \$26.5 million translated to roughly 43 per cent of our budget. Customer incentives, representing 65 per cent of our overall budget, was the biggest contributor to the underexpenditure experienced. Customers were understandably focused on priorities other than energy efficiency. To spend our budget and achieve our savings, which in most cases goes hand-in-hand with a financial contribution from our customers, we need the customer participation.

Our annual report supplement, prepared and released in accordance with The Efficiency Manitoba Act, confirmed our energy savings results, which are evaluated by an independent third party. Total verified net electric savings of the portfolio, accounting for all sectors, reached 69 per cent of our target, while portfolio net natural gas savings were 60 per cent of our target. Connecting these energy savings to our financial results for 2020-2021, these savings—these net energy savings were achieved while spending 43 per cent of our overall budget. This means, from an acquisition cost perspective, which is our cost per unit of saved energy, we achieved our savings more cost effectively than we target, which should always be a good-news story, but in particular welcome during this time of unprecedented expenditures to support the health and safety of Manitobans.

The Efficiency Manitoba Act specifically recognized that there's always a variation in participation each when you are relying on economic and market conditions, as well as individual customer decision making across every possible sector. And this is precisely why long-term, 15-year targets were established with surpluses and deficits carrying forward year over year.

It is important to note that the energy savings outcomes for 2021 also resulted in approximately \$9.5 million in annual customer energy bill savings for Manitobans and Manitoba businesses, which are annual bill savings that will persist in years to come. And this is particularly important as we look forward to post-pandemic recovery. Also, the natural gas savings resulted in an annual 13,730 tons by equivalent CO₂ emissions reductions—again, annual impacts that will persist in years to come.

While beyond the scope of our 2021 annual report, I'd be remiss if I didn't speak a bit to where we're at and where we're going. Efficiency Manitoba has launched over 35 programs and offers to date, with eight new—

Mr. Chairperson: Ms. Kuruluk, your 10 minutes for your opening statement has expired.

Would—is there leave for—to allow the statement to be completed? *[Agreed]*

Ms. Kuruluk, you can continue with your statement.

Ms. Kuruluk: Thank you very much, Mr. Chair. I'm almost wrapped up.

So, from the \$2.1-million Innovation Fund launched—announced this past fall, a new windows and doors offer, ground source heat pump offer, to the first-of-its-kind decluttering service to go hand-in-hand with accessing offers via our Energy Efficiency Assistance Program, which is specifically targeted to lower income Manitobans, we're continuing to design and launch offers and programs. We're doing all this while implementing changes and pivots to drive program participation across customer segments to further our work to provide relevant, accessible offers to Manitobans. We have and continue to build it, and we're significantly increasing our communications and advertising activity to generate awareness for Manitobans to come and participate.

The pandemic has definitely presented challenges for us and, more importantly, for all Manitobans that would normally have more capacity to consider and

participate in our energy efficiency programs and offers. As is the case with most businesses, we are adapting in real time to the ongoing evolution and unpredictable nature of the pandemic. Our culture of continuous improvement, along with our lean and nimble structure, means that we're able to act quickly to meet Manitobans where they are at with necessary changes and adaptations to our offers.

We are here to provide all those benefits that I talked about and won't repeat but—earlier in my remarks, but more importantly, now more than ever, energy efficiency provides businesses and employment opportunities across Manitoba. When Manitobans participate in our programs, it's good not only for their wallet, the environment and the viability of their business, but they are also contributing to Manitoba's economic recovery efforts.

When customers participate in our programs and offers, there's a positive ripple effect that occurs across the Manitoba economy through the numerous small businesses that perform building retrofits. Those delivering our programs and selling energy efficiency products reside in local communities across Manitoba.

Our private sector supplier network, which are our key partners in delivering programs to Manitobans, continues to grow from 688 private sector suppliers, as reported in the annual report that's in front of this committee, to the 925 and growing. We're working with many private sector businesses in Manitoba.

We have a strong team in place that is applying their technical capabilities and knowledge of the Manitoba market and relationships to continuously identify new and creative ways of reaching Manitobans. Our work, of course, is still in the early stages and we're here to help Manitobans to save energy, money and the environment.

And with that, I welcome any questions you may have.

Mr. Chairperson: Thank you for your statement, Ms. Kuruluk.

The floor is now open for questions.

Ms. Naylor: Well, I was going to ask Ms. Kuruluk where she's joining us from today, but that was obvious. I really love the logo, actually, in the background. It's nice to see; it's a great logo.

But I'm going to ask the same question, through the Chair, if Dr. Montufar can share with us where she's joining us from today? *[interjection]*

Mr. Chairperson: Dr. Montufar.

Ms. Montufar: Sorry, yes; thank you. I am joining from my home in Winnipeg—southern area of Winnipeg.

Ms. Naylor: And I'm at my office on Maryland Street, which is a little underheated, so I'm dressed in a turtleneck today and some warm slippers on my feet, actually.

It's good to be with you all today in whatever capacity that would—can be.

Thank you for that long, detailed introduction from Ms. Kuruluk. I am going to ask some specific questions. Some of them might feel a little bit repetitive, but I want you to be able to expand on some of the information that you've already shared.

So if Efficiency Manitoba has a legislated target of reducing electricity consumption by 1.5 per cent and natural gas consumption by 0.75 per cent annually and missed both those targets in the '20-21 fiscal year, net electricity usage was cut by 69 per cent of the corporation's target and net natural gas usage by 60 per cent.

Can Ms. Kuruluk provide—you know, I know there's been a bit of a summary, but some more details on the reasons for Efficiency Manitoba being unable to meet its legislated targets?

Ms. Kuruluk: Yes, as I mentioned in my opening remarks, we rely on customers to participate in order for us to meet our targets, and I think everyone on this meeting can appreciate that Manitobans were definitely focused on things other than energy efficiency retrofits.

And if I can expand on that a little bit more, again, I mentioned some of our in-home programs were ceased during time—the early days of the pandemic. And so that would include a lot of our residential programs targeted to income-qualified individuals, so we were not able to get into those homes to assess what was able to be done and get contractors in place to do those.

* (09:30)

In addition, First Nations communities, as we all know, have been closed for external parties to come in, and so we have not been able to reach First Nations communities.

Those are two of the smaller areas that impacted our targets.

Probably the largest area that impacted our ability to reach targets was within the commercial market. So, the commercial market represents nearly 30 per cent of our overall target, and, as everyone would know, there's different aspects of the pandemic impacting the commercial market.

So, there's areas where we cannot access: hospitals, personal-care homes—two very good examples of areas which are not undertaking contractors to perform work right now, whether it's to protect their occupants and residents or whether it's because they're too busy keeping Manitobans healthy.

Other areas that were impacted, of course: retail, restaurant; the hospitality industry definitely focused on keeping their businesses viable. So, whether they were faced with laying off employees or making sure they still have income, trying to pivot to different ways of generating income, such as the restaurants we saw trying to do more home deliveries, they were definitely not in an economic position to be contributing the necessary funds to implement energy efficiency retrofits.

Trying to think—I think there's a couple more examples I can mention. Grocery stores—again, implementing COVID-pandemic protocols, you know, very preoccupied with making sure that they've got their space accommodated to meet those health protocols versus investigating energy efficiency opportunities.

So that gives a really high-level view, but I think the economic impact that we all know that businesses and small businesses have faced as a result of this pandemic, and not only those that are impacted directly through shutdowns, but impacted indirectly.

You know, we heard at the Minister Fielding's budget presentation on Monday that, you know, businesses such as autobody shops are at 50 per cent or less of their annual sales because with no traffic there's no collisions, and that's a great news story, but not for the autobody and collision shops. So I think that provides a bit of an example, again, of how customers have been unable to invest in energy efficiency.

Mr. Chairperson: Before I continue with the next speaker there, I'd just like to remind everybody, if you could please raise your hand and hold it up until I acknowledge you so that we'd be able to get you on Hansard, because it's rather difficult for me to sort of guess as to when you're ready to speak.

Ms. Naylor: Thank you for that answer, Ms. Kuruluk, and I just would—I want to clarify one point.

So, in your opening remarks and again at the beginning of that answer you spoke about that, you know, Manitobans' minds weren't on things like energy efficiency because of the pandemic. But then you also talked about, because of the pandemic, not being able to get into homes to do some of this work.

So, was it actually policy and a decision of the organization not to proceed with some of this work because of the pandemic?

Mr. Chairperson: Ms. Kuruluk, if you could raise your hand when you are ready to speak. There, that's good.

Ms. Kuruluk: So, I guess not necessarily policy, but health protocols is what would have prevented us from going to those customers' homes. But, as we all can appreciate and we all recall, those protocols, you know, changed over time. At the onset, they were very strict; the pandemic was very unfamiliar to everybody. But as we all learned more, we adjusted where we could. So, not necessarily policy but health protocols for certain.

The other part of that would be personal preferences. So, we definitely were cognizant that not all homeowners or all business owners had a comfort level with having contractors in their home, and, of course, that differs across every particular home or business. Everyone's going to have a different comfort level with taking, I guess in a sense, a stranger into their home to perform retrofits. So we're being respectful of customers, but also of health protocols.

Ms. Naylor: Thank you for that.

I—yes, I guess I'm finding that—it's a little confusing to me because I know, you know, we know that lumber, you know, was hard to get, all kinds of different things were hard to get during the pandemic because so many people were actually doing renovations. And it seemed like the more time people spent at home, the more they were thinking about fixing and doing things in their homes. So it—I just—I'm struggling a bit with how that lines up with why the work wasn't happening, but I'll move on to my next question.

Considering the fact that the pandemic may not go away for some time, has Efficiency Manitoba's strategy changed moving into this new fiscal year?

Ms. Kuruluk: Mr. Chair, if possible, I'd like to address Ms. Naylor's original question, if I could. And then I'll follow up with our—what—how we're changing.

Mr. Chairperson: Absolutely.

Ms. Kuruluk: Okay, so regarding lumber prices: again, a lot—that had to do with some supply and demand, but the supply side also being what we've all come to realize, a big challenge due to the pandemic, which is supply chain issues.

But that said, new construction activity did continue through the pandemic and new construction, where there isn't occupants in the spaces, so that definitely contributed. When talking to our industry partners—and this, of course, is purely anecdotal evidence—but our industry partners have told us a lot of the retrofits that are happening in homes are not energy efficiency retrofits: definitely a lot of kitchens, decks and fences, some backyard beautification has been some of the areas where they've seen a lot of activity. So, not necessarily energy efficiency retrofits, but some of those retrofits that customers wanted to make to make their homes more comfortable because they were staying at home more often. So that's just a little bit of commentary on your original question because I certainly don't want to leave confusion with anyone in attendance today.

In terms of what we're changing, absolutely, we're definitely changing the way we do our business. I think every business that has objectives to reach has to change the way they do their business in order to accommodate what our new life is. And some of the things that we've changed, for example, is in our large commercial or industrial projects. We used to have on-site reviews to verify energy savings have been implemented and savings were occurring. We've turned a lot of those into virtual reviews.

With respect to going into customers' homes, we have implemented the protocols that are aligned with all the safety health protocols that have been given to us by the Manitoba government to actually be in the home in a safe way in terms of, we all know it, the sanitizing, the pre-screening, the masks, elimination of close contact and elimination of touching additional pens jointly, et cetera. So we have been—brought in our health protocols to a place where consumers are feeling safer, and we need to be able to do that.

That is my response.

Ms. Naylor: Thank you, Ms. Kuruluk, for that additional commentary.

And, you know, I guess I've—I'm wondering if you can provide some examples of any investments or outreach that's occurring to ensure that the pandemic doesn't continue to impact Efficiency Manitoba's

targets or outcomes and I, you know, I—specifically, I'm wondering what kind, you know, how aware are Manitobans of the work that you're doing and what might have been possible for them even during these last couple of years.

Ms. Kuruluk: Okay, just to address your—to address the last point raised by Ms. Naylor, these programs have been available for customers throughout the pandemic. So there has been no change to availability.

You know, we definitely are increasing our market presence and our brand communication and reaching out to customers, and you can note through my opening remarks how some of those items have grown in terms of how many contractors we have supporting our programs.

But, importantly, some of the things we can help with the pandemic and some we cannot. So, the economic situation for residential customers and businesses is going to be a difficult one for us to address, but one of the pivots that we did launch this year was to increase our incentive for our business lighting program.

* (09:40)

So, we offered a 25 per cent increase to our incentives on business lighting, recognizing that a lot of customers were economically challenged for the investment into the retrofits. So with that pivot we've already seen a 90 per cent increase in applications that are coming in due to us aiming to address the economic situation of customers due to the pandemic.

Ms. Naylor: Ms. Kuruluk, you mention that 43 per cent of Efficiency Manitoba's budget was spent during the last fiscal year, which is, as you've noted, a significant underspend.

So, can you tell us what happened to those dollars that weren't spent? Are they put in reserve? Are they applied towards next year's budget? What happens there?

Ms. Kuruluk: Yes, so with respect to the budget unspent, you know, as I mentioned earlier in the remarks, our surpluses and deficits carry forward to future years, so the deficit that we had in energy savings this year will carry forward to subsequent years. And with Manitoba Hydro as our key funder, our legislated funder, we will just ask for that—those funds when they are needed and when they're anticipated to be needed. So they do not go away. We will continue to be supported as long as we're achieving energy savings in Manitoba.

Ms. Naylor: Could Ms. Kuruluk explain to what degree she expects Efficiency Manitoba to meet their three-year plan?

Ms. Kuruluk: So I would love to be able to say that I have great information to be able to predict how much longer this pandemic will continue. There's no question the pandemic impacts customers' ability to participate.

You know, back in the end of Q2, we didn't even have a Delta variant in Manitoba, and in November or October, there's a Delta variant, and then in December we have Omicron. So this pandemic has been changing so quickly and it's an unprecedented situation that no one can predict.

I would say that our first year we have some significant savings to make up. But I will tell you that we're trending quite positively for this year, which means in our third year we'll have a bit of work to do. And there's nobody that's more interested in meeting our targets than the team at Efficiency Manitoba, but predicting where we'll land is as easy as it is predict what's happening next with the pandemic.

Like I said, again, we're definitely—we note—we take note of your comment about, you know, do Manitobans know where we are and that we exist to help. And you'll see that we're starting to do a lot more advertising and marketing to make sure they are aware and our messaging will also be including the fact that energy efficiency is a fantastic way to support your local Manitoba economy in recovering from this pandemic.

Ms. Naylor: So depending on what happens, I guess, in the—you know, the year ahead, as Ms. Kuruluk has noted, there's lots of unknowns in terms of the pandemic; you know, this may be—we may have a year ahead of us of more underspending of the budget.

And so just to go back to the previous question a little bit, I was trying to make sense of that—the underspent fiscal dollars—and I just want to clarify if the money that wasn't spent that is going to—that Ms. Kuruluk referred to—is that going to be additional money for Efficiency Manitoba to spend? Or is it—or is the following year budget going to be reduced, and so on, the subsequent, potential underspends in the years ahead?

Ms. Kuruluk: So I think I understand the question and what I will say is that Manitoba Hydro funds our activities. So, by legislation, we need to hit 1.5 per cent and 0.75 per cent of electricity and natural gas respectively over a 15-year period. So if

we have to hit 2 per cent of electricity and 1 per cent of natural gas in future years due to us meeting our legislated savings targets, we will request the money from Manitoba Hydro and they will provide it. So we aim to request money from Manitoba Hydro as we're projecting to need it, so we do it on a monthly basis so as to not, you know, have Manitoba Hydro submitting cash to us that's not being used. So we do it on a monthly basis, and as we request it, they deliver it to us.

Ms. Naylor: So—sorry, I am confused here. That still doesn't explain to me, or to all of us, the underspent budget from the fiscal year that we are discussing.

Where are those dollars now? And, you know, are you suggesting that—like, I hear that, you know, that—how the money flows from Manitoba Hydro, but typically in a fiscal year, if budget money is underspent, it's not available in the subsequent fiscal year. So I would just like to understand where that, I guess, 57 per cent of the Efficiency Manitoba budget is now.

Ms. Kuruluk: So that budget resides—that revenue that we call it, it's on our—in our financial statements, we call it revenue—is sitting with Manitoba Hydro until we need it. So Manitoba Hydro also does a budgeting process through the whole-of-government approach, and we work closely with them to let them know what we're predicting to ask for them from revenue. So I guess it sounds to me that the main concern being that that money won't be available to us, and I assure you that, through the legislation, as we need that money to achieve energy savings targets, it will be provided from Manitoba Hydro, and that the legislation was designed to do that. There is no concern there.

Ms. Naylor: It was my understanding that federal money had backfilled that Manitoba Hydro portion, but I realize that's probably a question for another time, another committee. So, I'm going to move on.

The 2021 Canadian Provincial Energy Efficiency Scorecard ranked Manitoba eighth out of all Canadian provinces, which is quite low. So what are other provinces doing differently than we are—than what we are to achieve their higher results?

Ms. Kuruluk: So, the Efficiency Canada scorecard, it's important to note that it's meant to gauge provincial policies and savings programs that are in place to help Manitobans or provincial jurisdictions promote energy efficiency. And these are goals and targets and policies and programs that are world best

in class. So we have to recognize that not every program, policy or initiative is going to be appropriate for Manitoba.

So if there's specific items—there's only a portion of that scorecard that relates specifically to Efficiency Manitoba—so if there's specific questions that you have regarding the energy efficiency component, I'd be willing to take that in a little more detail.

Ms. Naylor: One of Efficiency Manitoba's most important targets is helping Manitobans to save, both the energy savings and financial savings, and Efficiency Manitoba claimed that over the next three years Manitobans would save \$18 million annually on their energy bills.

Could Ms. Kuruluk provide a breakdown of where that number came from, and what the actual dollar savings were to Manitobans in the last fiscal year?

* (09:50)

Ms. Kuruluk: A quick, immediate answer—I would have to pull some files to get more detail, but \$15 million of that would be electric bill savings and \$3 million would be natural gas. And if you wanted that by customer segment, I would have to dig up a file to get that level of detail.

Ms. Naylor: And what were the actual dollar savings to Manitobans in the last fiscal year?

Ms. Kuruluk: This is a number that I quoted in the opening remarks, which was 9 and a half million.

Ms. Naylor: Can Ms. Kuruluk tell us what are some of the biggest unrealized opportunities to reduce energy costs for Manitobans? *[interjection]*

Mr. Chairperson: Ms. Kuruluk, I hadn't recognized you—okay.

Ms. Kuruluk: Mr. Chair, if you could get Ms. Naylor to maybe rephrase that question; I wasn't exactly sure what the question was.

Ms. Naylor: I'm looking for what are some of the opportunities, things that we—that haven't been addressed or explored, opportunities to reduce energy costs for Manitobans.

Ms. Kuruluk: So I guess what I would—my response to that would be what we have in our efficiency plan and what we have in terms of offers in front of Manitobans are the most cost-effective opportunities for pursuing energy efficiency today. So, you know, on the other side of this pandemic and, hopefully, with

implementing some of these pivots and seeing them through for a longer period of time, we'll see customers participating in these programs that are available today.

There is virtually—I can't think of any energy efficiency retrofit opportunity that's available to Manitobans today where we don't have a program and/or an incentive to support it. The efficiency plan would be outlining all of those.

You know, we are undertaking, right now, presently, what's called a demand-side management market potential study, which is a very comprehensive study that investigates the market across every single technology, across every single customer segment, to fine-tune what the remaining opportunity might be. And so we're anticipating the results of that study later this year, in 2022. I would be surprised if there's any opportunities that that divulges for items that we haven't already had a program for.

Ms. Naylor: On page 14 of the 2021 annual report there's a graph charting out the GHG reduction impacts of achieving the 1.5 per cent reductions in natural gas usage per year. Is that correct? Is that a correct number?

Ms. Kuruluk: Yes, that chart would be representing the achievement in GHG reductions under the scenario where we met our targets exactly in the efficiency plan.

Ms. Naylor: Does Efficiency Manitoba actually have any kind of mandate to reduce GHGs in Manitoba?

Ms. Kuruluk: So The Efficiency Manitoba Act outlines our mandate, and it does also specify that there will be GHG reductions as a result of natural gas energy savings. It does not mandate specific greenhouse gas emissions reductions that are not equivalent or not coming from natural gas savings in buildings.

Ms. Naylor: So in the—if I heard that correctly, it sounds like greenhouse gas emission reductions are referenced as a side effect of these Efficiency Manitoba actions, but it's not an actual mandate that Efficiency Manitoba should be taking action specifically to reduce greenhouse gas emissions.

Is that correct?

Ms. Kuruluk: I guess that would be correct. Our mandate is about energy efficiency and natural gas and electricity. There's also a component in our act that allows us to save energy in households that is other than natural gas, which is fuel oil and propane

in homes. So those are the areas. Again, it's about energy efficiency.

Ms. Naylor: Ms.—can Ms. Kuruluk tell us what are the greatest GHG reduction opportunities that we have in Manitoba?

Ms. Kuruluk: So, given our mandate, I'm definitely not an expert in where GHG reductions are the most—have the highest opportunity. I think that would be something that's the focus of the Climate and Green Plan or Conservation and Climate.

As a consumer and as a person that deems themselves to be an environmentally conscious individual, you know, certainly, vehicles would be an area where we could reduce GHG reductions.

Ms. Naylor: Thank you, Ms. Kuruluk, for that response.

I'm going to—I'd like to go back a little bit to talk about the funding. I know that my colleague will have the opportunity to ask some questions in the Hydro committee tomorrow, but I do have some additional questions to just try to clear up some confusion about the funding that we were talking about earlier.

So, Efficiency Manitoba received additional funding from both the provincial and federal governments to the tune of \$64.6 million. And the Province made a big deal out of this funding, implying that the funds would see expanded energy efficiency programming. But shortly after this announcement, Ms. Kuruluk confirmed that the funding would merely be displacing funding originally provided by Manitoba Hydro.

So, does this not effectively undermine the intent of the federal funding, as the funding was not invested in new programming but used to subsidize Manitoba Hydro's financial commitments to Efficiency Manitoba?

Ms. Kuruluk: So, first of all, I can only speak to the component of the Low Carbon Economy Leadership Fund that pertains specifically to Efficiency Manitoba, which was, as we know, announced in January of 2020, and that was for a total of \$32.3 million. And that was in support of Efficiency Manitoba's natural gas plan.

What I will say is we are meeting the commitment as per what the federal government has agreed to fund us for. The application for the low-carbon economy and leadership fund for Efficiency Manitoba specifically, as I understand it, was in development well prior to Efficiency Manitoba's commencement, and given

that we hadn't yet had confirmation from the federal government on that, we were not able to incorporate it into our efficiency plan, but it was built with the understanding that Low Carbon Economy Leadership Fund would be forthcoming from the feds due to our plan.

* (10:00)

And, you know, there was the whole—the way the feds characterize the additionality or the incrementality of what we are doing, they definitely honed in on that point and were comfortable that what we are doing was in addition to what would have been done in the absence of their funding. And so, again, if we're not delivering on our efficiency plan, we are not delivering on what we committed to the feds for the use of those dollars.

Mr. Vice-Chairperson in the Chair

Ms. Naylor: Okay, sorry, I am a little confused by the response. So, my understanding is that there was some federal dollars promised, but ultimately that was used as backfill by Manitoba Hydro so that the actual, you know, what amount of money might have been coming to Efficiency Manitoba likely wasn't what you were expecting—what Ms. Kuruluk was expecting.

So I'm wondering if Efficiency Manitoba had any projects or initiatives planned for those federal dollars prior to finding out that it was just backfilling the regular budget?

Ms. Kuruluk: So what we had planned is contained in the natural gas component of our efficiency plan. So, if the dollars do not flow from Canada, which, you know, they still have not flowed yet, but it means that we ask for less revenue from Manitoba Hydro. So we continue to deliver to Manitobans, but we will ask for less revenue when the federal government follows through on their commitment to our efficiency plan. I hope that addresses—so there is nothing that we're not able to do in the absence of formalization of that funding. I hope that addresses the question.

Ms. Naylor: Sorry, thank you. So, if—so, are you saying—is Ms. Kuruluk saying that if Hydro had flowed more dollars to Efficiency Manitoba that you could have done more?

Ms. Kuruluk: No, I'm definitely not saying that, and I'm sorry that we're kind of going at cross purposes, here. What we outlined in our efficiency plan for natural gas programs and savings is what we thought we could accomplish in this three-year efficiency plan. Irrespective of a pandemic, that one threw us a

bit. So, as we implement that efficiency plan, we ask for revenue from Manitoba Hydro, which they will provide. The formalities of getting the federal funding—you know, it has to do with some reporting and some amendments that had to be signed, but we have to get some reporting in place—once those do flow, we will just request less from Manitoba Hydro. So it hasn't impacted our ability to deliver on what we committed to for Manitobans. I hope that helps.

Ms. Naylor: In the first three-year plan released in 2019, Efficiency Manitoba states, if additional sources of funding become available to support either electric or natural gas portfolio activities outlined within the plan, it is understood that these amounts are to be used to reduce the electric or natural gas funding provided by Manitoba Hydro or Centra Gas, respectively.

So should this, then, be interpreted to mean that there is no possibility for a budget increase for Efficiency Manitoba?

Mr. Vice-Chairperson: I think we may have just lost Ms. Kuruluk. Is she in the room, but her video is off, perhaps? All right, I think Ms. Kuruluk is back and she would like to speak.

You have the floor, Ms. Kuruluk.

Ms. Kuruluk: Mr. Chair, I'm going to ask Ms. Naylor to reframe the question again. I'm just—I'm not sure I've completely understood what she was asking.

Ms. Naylor: So, I'm asking if there's no possibility for a budget increase for Efficiency Manitoba based on the statement in the 2019 three-year plan?

Mr. Chairperson in the Chair

Ms. Kuruluk: So, to answer that question, I think we go back to my comment about, within The Efficiency Manitoba Act, there's the provision that surpluses and deficits carry forward. So, when Efficiency Manitoba goes to plan its next efficiency plan and we try to aim for higher savings to make up for our deficit, it will require a higher budget. So, at that point in time, we will ask Manitoba Hydro for more dollars.

Your comment about subtracting funds from other sources is actually a component of The Efficiency Manitoba Act, and those would also, yes, reduce what Manitoba Hydro funds from electric or natural gas ratepayers, respectively. So, in terms of a straight budget increase, when we ask for more money to deliver on higher savings targets, that will, in effect, be an increased budget. And, just to further that a little bit more, what it will cost for Efficiency Manitoba to

achieve higher savings will be Efficiency Manitoba's prediction and would be subject to a PUB review as to whether those are cost-effective or not.

Ms. Naylor: Okay, one more question about this, I think, and then I'm going to move on to some other questions.

But it's still a bit confusing because if money's coming from another source and—such as federal government or other additional sources of funding that may not be identified yet, particularly with, you know, fighting climate change, new funding may become available in the future from other sources. But it's written into the plan that that will simply reduce the money that loans to Efficiency Manitoba from Manitoba Hydro or provincial government sources. And so that doesn't really—there's no way that, to go, you know, above and beyond targets or to do other kinds of additional programming.

Is that correct?

Ms. Kuruluk: So—and I think we're getting caught in the nuances, here but, of course, if—I think it's in the best scenario for Manitoba ratepayers, electric or natural gas, if we are able to get climate fundings from the feds, that that goes to serve and reduce what we're going to be asking of ratepayers. That said, the—what we ask for a budget and what we will obviously be looking to do as much as we possibly can for energy savings in Manitoba, and that will set our budget.

So, not pursuing or not receiving funds from other parties will not impact that. The budget we set that gets reviewed at the Public Utilities Board and then approved by our responsible minister will be the budget that Manitoba Hydro, less other potential funding parties that happen to come to the table, will provide to us. So we will ask for as much money as we need to accomplish our objectives.

Ms. Naylor: I'd like to ask if Ms. Kuruluk is planning to make a new submission to the PUB, given the pandemic, and planning—and if they're planning to implement any new cost-effective measures to achieve targets in the three-year plans—three-years' plan.

* (10:10)

Ms. Kuruluk: So, two—a two-part answer to that.

First of all, the energy savings program we have in our existing plan, obviously, we have not achieved saturation with Manitobans in terms of the take-up of those programs, so that will definitely be a component of a future efficiency plan.

And, secondly, the market-potential study I mentioned earlier may come up with some other areas where there's some technically or economically feasible additional technologies or markets that we could pursue, but that won't be coming to us until later this year.

Ms. Naylor: Can Ms. Kuruluk provide a breakdown of funds budgeted for advertising and a breakdown of actual funds spent on advertising in the last fiscal year?

Ms. Kuruluk: So our budget for that item—which also includes a couple other components, but the lion's share being for the advertising—the budget for last year was \$2.26 million and our expenditures were \$451,000.

Ms. Naylor: Can Ms. Kuruluk explain the gap between the budget and what was actually spent on advertising?

Ms. Kuruluk: So, I mentioned in our opening remarks—or, my opening remarks that, due to the onset of the pandemic at the precise time that we were planning to go out with a fairly significant public launch of Efficiency Manitoba, we did cancel that outright. So that would have made up a large component of that advertising budget that we did not spend.

But for this next fiscal year, we're planning to increase that by four times to catch up with some of the grand advertising opportunities that would have been missed through that decision.

Ms. Naylor: Can we have a breakdown on which advertising or awareness campaigns funds were spent on? So what—like, which programs were being promoted and what information or initiatives were being promoted specifically?

Ms. Kuruluk: I would definitely have to take that level of detail under advisement. What I can say is the advertising that did proceed would have been more so related to customer sectors and very specific programs.

So there's three levels of marketing and advertising that we do. It's—at the highest level, is a brand advertising. At the next level it is sector or customer-specific, which is, you know, advertorials, articles, different items in industry publications. And then, finally, program-specific advertising. So the sector-based and the program-specific advertising did occur. We also released our fall newsletter, which is—a large

component of the spend would have been in our fall newsletter.

But if you wanted more granularity, I would have to dig a little deeper. And that's okay, if you would like that.

Ms. Naylor: Thank you for that, and I—no, I'm just going to ask you to ask Ms. Kuruluk to clarify, when you referenced in the previous question to spending four times as much, I should have asked you to clarify.

Is that going to be in the current fiscal year budget, or for—are we talking about 2022-2023?

Ms. Kuruluk: Yes, that would be in the current fiscal year budget.

So, I think if attendees at this committee pay attention to the television and billboards and digital, you'll see there's going to be a lot more of Efficiency Manitoba starting—actually, even November, but really heavily this month.

Ms. Naylor: Sorry, I'm actually going to turn over the next line of questioning to my colleague, Mr. Sala.

Mr. Adrien Sala (St. James): Hello to Ms. Kuruluk, board chair and, of course, to the minister and her staff. Grateful for a chance to ask some questions here today.

I just wanted to dig into some of the specifics about programming and ask Ms. Kuruluk if she could share with the committee which areas of Efficiency Manitoba programming have seen the greatest amount of uptake.

Ms. Kuruluk: Mr. Chair, if I could get Mr. Sala to clarify that question in terms of uptake: is it energy savings or percentage to target?

Mr. Sala: Yes, I appreciate the clarification.

So, we can maybe answer that based on energy savings.

Ms. Kuruluk: So, the largest component of energy savings achieved would have occurred in our commercial, industrial and agricultural segment. And they're also the biggest predicted share of our energy savings. So they were set at—being the biggest share, they hit 60 per cent of their projected target for this year.

Mr. Sala: And could Ms. Kuruluk clarify, what specific aspects of programming were most popular or saw the greatest uptake within that area?

Ms. Kuruluk: So, from a pure savings—gigawatt-hour perspective—probably the highest energy contributors to our targets were the Business Lighting Program, custom energy solutions, which is a custom program that we offer for commercial and industrial customers and a load displacement program for industrial customers.

Mr. Sala: Thank you so much for that response.

And what about on the homeowner side? Which program saw the greatest amount of savings on that side of the *[inaudible]*

Ms. Kuruluk: For our residential customers, the biggest participation occurred with our SAVE NOW retail rebate campaign, appliance recycling and home insulation and well as our New Homes Program.

Mr. Sala: As a percentage of overall savings, how much of the savings were generated through the homeowner-related segment of programming? In terms of overall energy savings, we've got the homeowner, the commercial side and the industrial side. Out of that global figure, how much of the savings were generated through homeowner-related programming?

* (10:20)

Ms. Kuruluk: In terms of program impacts, residential programs achieved 7 per cent of the program total energy savings before codes and standards.

Mr. Sala: Just relating to codes and standards, one obvious big opportunity for the province to help drive efficiencies, energy savings and, ultimately, dollar savings for Manitobans would be to adopt a more aggressive type of building code similar to what's happened in other Canadian jurisdictions, like BC, where they're pursuing a step code towards net-zero building code standards.

What's efficiencies—Efficiency Manitoba's position on the need for new building codes or its role in advancing that, given that sort of low-hanging fruit in terms of helping to drive forward some of the same priorities that they're pursuing as an organization?

Ms. Kuruluk: So, Efficiency Manitoba's position on energy efficiency and building codes is that it is, indeed, a very positive step to achieving energy savings in Manitoba. It's also a very cost-effective way of achieving energy savings in Manitoba, and so much so that we have several employees that participate, myself included, in national committees to provide technical and market input into the development of energy codes. So, definitely supportive of that

as a strategy to make sure there's an energy-efficient Manitoba in our future.

Mr. Sala: Given Manitoba's the only province that is still continuing to use 2011, I think, vintage building codes, is Efficiency Manitoba advocating to the Province to have them look at adopting a more modern and current type of approach to building codes here in Manitoba?

Ms. Kuruluk: We work very close with the Province of Manitoba to work through building code and help, yes, advocate for where building code is going to be beneficial for Manitobans, but, ultimately, that's a decision of Manitoba. And what degree of influence we can have on that is—yes, we do our best and I'm sure the Province does their best as well, so I do believe that there's some activity on that pending, but maybe I'll leave that for someone else to share.

Mr. Sala: Thank you for that.

Ms. Kuruluk, I'm sure, can appreciate how big of an opportunity heat pumps present here in our province for reducing natural gas usage, for saving Manitobans money, and I think, especially in relation to the Efficiency Manitoba mandate, advancing the uptake of heat pumps would probably have a massive impact on their ability to move forward in meeting some of their targets.

So I'm hoping that Ms. Kuruluk can clarify what Efficiency Manitoba is doing to advance the use of heat pumps here in Manitoba?

Ms. Kuruluk: Yes, thank you for that question. And, indeed, geothermal is a product, when designed correctly, can have very cost-effective benefits to Manitobans in terms of their heating bills.

So we launched our geothermal incentive program for residential and commercial customers in August of this year. And, you know, past offerings with Manitoba Hydro power also had geothermal, but the difference with this program is that the incentive is now available whether you're an electric service area or a natural gas service area. So, when we start seeing participation in the geothermal program, we'll also see some natural gas savings and GHG savings as a result.

In terms of take up of geothermal in Manitoba, there has been some historic installation reputational issues with geothermal in Manitoba, and I actually just had a conversation three days ago with the national chapter of the HRAI to talk about how we can work our way through some of those.

Mr. Sala: So, glad to hear that Efficiency Manitoba has launched an incentive for that.

My question to the CEO is, what can the average homeowner, the cartoonishly average homeowner here in Manitoba, expect to receive in terms of a rebate?

And I ask because I know that there's a number of options. There's an amount of money per, kind of, per square-foot basis and some other complications that could get complicated. So let's take the average homeowner. What could they expect to receive as a rebate from Efficiency Manitoba for pursuing geothermal installation?

Ms. Kuruluk: So, Mr. Chair, I would ask that I be afforded a bit of time to do that calculation for an average homeowner, but I can have someone working on that in the backdrop if Mr. Sala would like to continue and have that question addressed later.

Mr. Sala: Yes, that's fine. I appreciate that.

You know, I did the calculations from my own home—and I live in a very modest home, for what it's worth, out here in St. James—and I think the total rebate worked out to somewhere between six to seven thousand for my home.

Knowing that the typical geothermal installation is probably going to run the average homeowner somewhere between 25 to 30 thousand dollars, depending on a number of factors, that amount of support, or that incentive, doesn't seem sufficient in terms of taking that initial edge off for the average Manitoban, in terms of being able to deal with that—the burden of that upfront capital cost.

As we know, once it's installed, people are saving money from day one, but the problem, of course, is financing and then paying for it. So I know that there's this incentive program, it is good that it's there, but it doesn't seem like it's—it goes far enough.

Is there a sense from Efficiency Manitoba as to why they pursued that type of incentive model over a, for example, a creative financing model or an innovative financing approach like maybe has been done in other jurisdictions, where essentially the homeowner has that system paid for upfront, and then the costs of capital, or the upfront costs, are paid for through the energy savings that are generated?

Why did we choose to go with this sort of straight financial incentive model over other models that have been demonstrated to work very well in other places?

Ms. Kuruluk: So there's a couple items to address or unpack in that question. So, first of all, in terms of innovative financing, Manitoba Hydro continues to offer the Home Energy Efficiency Loan on our behalf. So right now a customer could take the incentive from Efficiency Manitoba and finance the remaining portion on their energy bill through Efficiency Manitoba. So that loan program does exist.

Mr. Sala mentioned, you know, paying down the capital cost of the equipment through the energy savings, and I think what he's referring to is a—they call it a pay-as-you-save model for financing. And I will tell you that, in my history at Manitoba Hydro, we were offering the pay-as-you-save financing model, and what happened with that particular model was the complexity of delivering that and aiming to have the savings meet the loan payment, and essentially wasn't industry accepted.

So we had several contractors out there that were very familiar with the Home Energy Efficiency Loan, so they—if they were going to be doing some financing, they'd prefer to use that one versus the pay-as-you-save model.

So we found that, just in terms of the fact that Manitoba has had an on-bill efficiency program for several decades, actually, they were well out ahead of some of the other jurisdictions that are offering PAYS, the pay as you save, or property-assessed clean energy is another way where you pay for the capital cost on your tax bill.

* (10:30)

Due to the fact that we had such a large history with offering an efficiency loan on bill, the industry really preferred that method and so stuck with it. So, in terms of what we're offering today for geothermal, they can still finance and, of course, as with any of our energy efficiency programs we're designing, when it comes to the actual level of incentive that we're able to offer, it's a combination of what will move that customer, in terms of the economic case we're helping them with as well as the marketing messages, in terms of comfort levels, potentially GHG benefits to installing geothermal, as well, in combination with maintaining cost-effectiveness for our programs.

Mr. Sala: I appreciate the response.

One of the challenges with the financing that is available right now from Hydro is that it still has to be paid for or paid out by a given single homeowner, so it still produces a fairly large barrier for the average person to decide to proceed, because if they're going

to realize the benefits of those energy savings, they have to make this significant upfront investment, but if they're needing—if that loan stays with them and they have to pay it out, then there's a lower incentive for them to make the decision to pull the trigger, right, as opposed to it maybe staying on the bill or staying with that home.

So, just so I understand, there—are there any intentions or plans of looking at PAYS, which is a pay-as-you-save-type approach or PACE-type financed opportunities to access geothermal supports through Efficiency Manitoba?

Ms. Kuruluk: So the quick answer within this current efficiency plan that we're in right now; no, there is not a plan for a PAYS financing option. What I will say about PAYS financing, because in my history, of course, I was involved in offering that program to Manitobans, and what we found with PAYS—actually Pay As You Save, which was on the energy bill—it specifically addressed the issue that you raise, which is the financing staying with the home or staying with the person receiving the benefits from the equipment. But what we found with PAYS, even though the legislation allowed for transferring that loan to the new homeowner, no new homeowner wanted to accept that loan. So, in almost all cases, there was no transfer of the agreement. Customers preferred to have that paid out with the proceeds of the sale. So that was how pay as you save worked.

Obviously with the PACE model, where it's on your tax bill, that would be different. I don't believe there'd be an option necessarily to pay it out, but in terms of the interest of the incoming customer accepting that loan that was made on the property from the previous owner, there wasn't an acceptance of that loan continuing, historically, is what we experienced.

Mr. Chairperson: Mr. Sala? Ms. Naylor?

Ms. Naylor, your mic's not on.

Ms. Naylor: Thanks, sorry about that.

Could Ms. Kuruluk explain to the committee how and if she sees Efficiency Manitoba playing a greater role in transitioning Manitoba to an electric-dependent province in order to help fight climate change?

Ms. Kuruluk: I think what Ms. Naylor is getting to is definitely an Efficiency Manitoba Act mandate question but also an energy policy question.

What I can tell you is, you know, before you pursue renewables or pursue getting off natural gas, energy efficiency of your home or building is the first thing you should be pursuing, and there is lots of opportunity for us to be doing that now. In terms of greenhouse gas emissions reductions, saving on your natural gas bill will accomplish that.

The geothermal Heat Pump Program, which is now offering incentives in areas that areas that are serviced with natural gas, will also contribute to that. But, beyond those things, I think it's definitely Efficiency Manitoba Act mandate and energy policy type of question, which is good news, because those things are in progress.

Ms. Naylor: Would Ms. Kuruluk welcome a broader mandate for Efficiency Manitoba to include what I've referenced, and perhaps she can tell us more about what is the progress that she just referenced, as well?

Ms. Kuruluk: The second part of that question I might defer to Minister Guillemard.

But the first part of that question, would Efficiency Manitoba welcome that action, I mean, if the provincial government decides that they need Efficiency Manitoba to take action on these things to assist with our contributions to the Climate and Green Plan in additional items, we would most certainly do that for Manitobans.

Ms. Naylor: Since Manitoba Hydro's solar rebate program came to an end in 2018, it put an end to the \$1-a-watt cash rebate, and there have been zero provincial government incentives for pursuing solar energy in Manitoba.

Efficiency Manitoba announced that they'd be introducing a permanent solar energy rebate program this year, so can Ms. Kuruluk provide an update on the solar energy rebate program?

Ms. Kuruluk: So, an update is that that program was actually modelled to launch in year 3 of our efficiency plan, and it is in progress, I'm happy to say.

Ms. Naylor: During the annual public meeting in March 2021, there were multiple questions from participants who enquired about Efficiency Manitoba's role in encouraging, promoting or enabling more use and purchasing of electric vehicles in Manitoba. So Efficiency Manitoba's response to that was that it's not currently within their mandate, but that it could be included in the future.

So, can Ms. Kuruluk provide any insights around planning in this regard and what role Efficiency

Manitoba may play in the future in regards to electric vehicles?

Ms. Kuruluk: I'm not sure I'd be the one that could speak to what's being planned, but what I will tell Ms. Naylor is The Efficiency Manitoba Act specifically contemplates additional DSM initiatives—DSM standing for demand-side management—that could be added to our mandate by way of a regulation, and one of those items was demand-side management in transportation fuels, so signalling that a regulation could make that change.

Ms. Naylor: Part of Efficiency Manitoba's mandate is to reduce consumption of electrical energy and natural gas beyond savings targets if reductions can be achieved in a cost-effective manner.

So, is it safe to say that the mandate of Efficiency Manitoba is focused more on cost savings than on actual energy savings?

Ms. Kuruluk: So I would say that that assertion isn't correct. What I would say is, in terms of what we're trying to achieve now with what we have is significant. It's the highest targets that we've seen in Manitoba in Manitoba's history, which is a long history. It's been over three decades of energy efficiency programming in Manitoba. So, what we're achieving now is the highest that's ever been achieved.

In terms of cost-effectiveness, and I'll go back to our Public Utilities Board review because this topic was discussed at great length, the true cost-effectiveness of energy efficiency is really determined through an integrated resource plan that's conducted by Manitoba Hydro. So—and that's a very complex process, so if the value for those saved kilowatt hours or those saved metres cubed of gas are increasing for us, then we could do more.

* (10:40)

I'm not sure if that response answers the question that Ms. Naylor had, but I would definitely not say it's about cost savings versus achieving our targets.

Ms. Naylor: So, yes, I hear the response. I understand what you're saying. But I'm interested in how that—the if it was built in to that mandate—that it does seem to prioritize that things have to be cost-effective over actually focusing on the reduced consumption.

I understand that from your—from Ms. Kuruluk's perspective that these are both important. But it does seem that the mandate itself implies that cost-effectiveness is more important than the mandate to maximize energy efficiency. So, I—you know what?

You've answered that—or, that question's been answered, so I'm just going to leave that comment there.

And then ask—I just want to say that part of Efficiency Manitoba's mandate is to promote and encourage the involvement of the private sector and other non-governmental entities in the delivery of demand-side management initiatives.

So, is the delivery of Efficiency Manitoba's programming entirely outsourced? And if so, what is the contract-awarding process like?

Ms. Kuruluk: So I'll start to address Ms. Naylor's question by highlighting two buckets of private sector—or maybe even three buckets of private sector support that we have for our programs.

So, the first bucket is contracted delivery. The second bucket is contracted services that we use to support our organization from an operational perspective. And the third bucket would be leveraging the private sector network of insulation contractors, HVAC contractors, energy modellers, et cetera, that already exist in Manitoba, to deliver programs. So those are our three buckets of leveraging private sector.

In terms of contract award, typically what happens is when we have designed a program and are looking to launch it, we publicly post on MERX for delivery of that scope of work.

So that's happened at various stages. As I mentioned in my opening remarks, we've got 35 programs active in the market; eight new ones as of this year. And so as those programs are getting teed up to be available to the market, that's when we would go through the process of public posting through MERX.

Ms. Naylor: How many of those 35 programs are contracted out to local businesses and suppliers?

Ms. Kuruluk: I would probably have to get some of my staff members to support that response.

What I will say is that, depending on the significance or the size of the program that ends up being delivered to the market, there is oftentimes a local presence that gets developed here.

So I can speak to, for example, one of our contractors that's delivering—the small-business program, for example, was not a Manitoba company, but they have since developed a very strong and large local presence. Another example is our appliance recycling

program. Again, the original bidders were not from Manitoba, but the on-the-ground—boots-on-the-ground truck drivers that are picking up the appliances, the warehouse that's storing them, are all local.

So, in terms of a number of each in each bucket, or the employment that's been created, I would have to take that under advisement to get to you and, if you wish, I can see if we can get an answer together before our time here is done.

Ms. Naylor: Yes, I'm definitely interested in learning who holds the various contracts to the various programs, and also what is being done, if anything, to ensure that as many contracts as possible are given to local businesses and suppliers instead of sending those jobs out of province.

Ms. Kuruluk: So, at the very highest level, I just would be remiss if I didn't mention that we are subject to trade agreements, so prioritizing local companies isn't something we're able to do.

What I will tell you, in terms of the types of work that we're putting out to contractors, there's—sometimes there's strategy formulation type of work, and other times there's actually implementation of the program in our market.

Implementation of the program in our market is most certainly—most often times going to local, or if not local, they're being—the boots on the ground are being hired locally. The strategy, or evaluation, for example, we have to have a—we are mandated by legislation to have a third-party evaluator for our programs. Those resources, I can tell you, do not exist in Manitoba, and the strategy, likewise, do not exist in Manitoba. So most often times, those are companies, in most cases, from out east.

What they have done for—like for example, with our market potential study, it's a company from Quebec, but what they've done is hire subcontractors in our local market to provide that local market expertise. So even in areas where it's a strategy or independent evaluator contract, they are often times doing subcontracts to local contractors here.

Ms. Naylor: I just want to reiterate that to be—learn who is holding the contracts to the various programs, and I understand that that's going to take a little more work, and that the staff would have to have that, but if we could come back to that or have that provided at a later date, that would be really helpful.

Efficiency Manitoba's website mentions specific Métis Energy Efficiency Offers in collaboration with the Manitoba Metis Federation.

Can Ms. Kuruluk provide an update on what these programs or offers might look like, and how that work is going?

Ms. Kuruluk: Yes, so the Métis energy efficiency program is essentially similar to our energy efficiency advisory program for income-qualified Manitobans, except it's delivered in partnership with the Manitoba Metis Federation.

So what that program would entail is a free in-home energy checkup, the free installation of low-cost, no-cost devices, which includes showerheads, faucet aerators, window insulating kit, weatherstripping, LED lightbulbs. And then at the conclusion of the assessment, they will be assessing which areas of the home might need insulation, as well as whether the home requires a high-efficiency furnace. And those—the furnace component is offered at a highly subsidized rate that becomes a loan on the property's—or on the customer's energy bill.

Ms. Naylor: Could Ms. Kuruluk also provide an update on the Indigenous Community Energy Efficiency Program, and tell us how many applications received versus how many were approved, and when this will be announced?

Ms. Kuruluk: So the Indigenous energy efficiency program is virtually parallel to the Métis energy efficiency program, so offering the same types of services and products for installation. What I can tell you, in terms of applicants or participation, as per my remarks at the beginning of the committee meeting, we cannot get into First Nations, so there have been no home energy checkups done in those homes.

* (10:50)

We have a dedicated group of individuals here at Efficiency Manitoba that focus specifically on Indigenous programming, and they've been meeting regularly with all 63 First Nations and speaking with various—whether it be chiefs or housing managers, to make sure that our program's ready to go for when they're ready and willing to take people into their communities.

Ms. Naylor: There is a reference on the Efficiency Manitoba website that successful applicants for the Indigenous Community Energy Efficiency Program will be announced this month.

So, can we expect that or is there—is this kind of completely on hold right now?

Ms. Kuruluk: My apologies to Ms. Naylor. I think I misunderstood her question.

So, what the website is referring to is our community energy efficiency advocate program. And you are correct. What that program will be doing is funding an advocate within the community, so creating a—local employment for the community to advocate for energy efficiency on Efficiency Manitoba's behalf. And, yes, we did receive many applications, and those are under review.

Ms. Naylor: A First Nations off-reserve program was mentioned during the '20-21 annual meeting.

Can Ms. Kuruluk provide an update on this: when it will be launched, what will be the criteria for applying and the—and will there be a limit on intake?

Ms. Kuruluk: So, to answer the second part of that question quickly to get it out of the way, there will be no limit on intake. We don't limit any participation for our programs.

The second part of the question is the First Nations off-reserve, and that is something that's in progress. It was a very—a topic area of very keen interest during our Public Utilities Board review for our efficiency plan, and one of the challenges with that is how do you identify off-reserve First Nations individuals. And that has been the challenge.

I would have to double-check where people are—where our team is at with respect to identifying those households that would be qualified or deemed as a First Nation off-reserve because, as we know, we do have First Nations individuals living in Winnipeg, in Brandon and other communities. And so that, I think, has been the primary challenge.

That being said, if those individuals also happen to be income-qualified households, they are, of course, able to, and we're more than happy to have them participating in just our regular Energy Efficiency Assistance Program, which is available today.

Ms. Naylor: There have been some complaints that we're aware of that the New Homes Program has too much red tape and it's difficult to assess.

What has the uptake been like with this program: how many applicants have there been, how many have been approved?

Ms. Kuruluk: So Efficiency Manitoba, you know, is definitely firm in our commitment to continuous improvement.

So first things, I would say, if there's knowledge of things that are causing problems for home builders, if my team doesn't already know about them, I would encourage anyone to reach out to Efficiency Manitoba to speak to them. One enhancement that we're actually making for the New Homes Program is pursuing a program that offers incentives for individual measures versus just the whole home.

You know, we obviously prefer that it's a whole home program. Building codes are going to be going that way. You know, in order to assess the performance of the new home construction, it is—you do have to have a blower door test to confirm that it's reached those higher savings—higher energy savings levels. But what I will say is this is something that the market should be starting to get prepared for because it's definitely the way that building codes are heading, is towards a performance-based metric on whether they're achieving the energy efficiency levels. And can't comment on what the red tape might be but again, like I said, invite whoever you are in contact with to reach out to discuss their concerns.

Ms. Naylor: What has the total cost and total energy savings been through the New Homes Program?

Ms. Kuruluk: So I can give you the energy savings immediately: New Homes has saved 1.5 gigawatt hours out of its targeted 2.9. So it did not—not terrible and saved 40,000 cubic metres of natural gas out of their target of 100,000.

Ms. Naylor: We've also heard some concerns that the low-income energy efficiency program is not inclusive or accessible enough. So can you share with us what the uptake has been like with this program and ideally, specific numbers if possible?

Ms. Kuruluk: So I do have some numbers, specific participation numbers on that one. For '20-21, we completed 628 homes, which equated to over 1,700 actual retrofits because obviously there's a couple of things that we can do in the home.

In terms of the accessibility, what I can tell you is, very recently, as part of our pandemic impacts and part of our continuous improvement, we have done a couple of things with the Energy Efficiency Assistance Program, one of them being lightening the requirements that are required for income verification.

Mr. Vice-Chairperson in the Chair

So, in the past we've had an income verification requirement and we've made that easier for participants to income qualify. So if they don't always have tax documents, for example, or they can use alternate ways of making sure that they're intaked into the program and approved.

Ms. Naylor: I'm—one more question and then I have—I'm going to turn it over to—but—Mr.—I'm sorry, to Mr. Lamont, who's asked for some time.

So I just want to go back to the three-year plan targets and I feel like I—I've heard Ms. Kuruluk say that because of the pandemic there really is—Efficiency Manitoba has no idea if it's going to meet its targets for the three-year period.

Is that correct?

Ms. Kuruluk: You know, as the time progresses and as we get more information on the pandemic, we're able to have a better sightline on what we're able to do. I would say, most certainly, when we designed this efficiency plan, we thought we could get these targets; there's no question.

I mean, I'm as good at predicting how the pandemic's going to unfold and how the economy's going to recover as anybody. So, you know, as we get closer, so for example, even within this year alone, we know we're already above where we should be on our natural gas savings and we're closing the gap on electric savings. Could I have been able to predict that in—at the beginning of the year? Not precisely; I mean, many years of experience in this industry and lots of history with our program designers that are modelling the participation, but no one predicted this, and it impacts everybody differently. Like, I don't—the supply chain issues were something that emerged, you know, kind of within May, June, July of last year that, again, the ripples effects of what the pandemic is causing is tremendous. And so, yes, to say no idea, as things get closer we can have better granularity on how we think we're going to come out.

* (11:00)

And again, I'll reiterate, nobody wants to meet these targets and exceed them more than the team at Efficiency Manitoba, so we're definitely not, you know, letting the pandemic stifle us. We're constantly looking for ways to improve and ways to pivot around the challenges that it's put in—forward for us.

Ms. Naylor: I really want to share my appreciation with Ms. Kuruluk for the number of questions she's answered over the last couple of hours. This could go

on all day, since we didn't set a limit to the time at the beginning of the meeting, but I have offered—I won't do that to Ms. Kuruluk or to anybody else—but I have agreed, as a courtesy, to give Mr. Lamont 10 minutes of time, so if we could turn it over to him and then I'll come back for a final question.

Mr. Vice-Chairperson: Thank you so much, Ms. Naylor, appreciate your consideration.

Mr. Dougald Lamont (St. Boniface): Thank you, Mr. Chair, and thank you to Ms. Montufar and Ms. Kuruluk. Yes, I had some questions.

Mr. Chairperson in the Chair

One, actually, it—it's—it sort of might be a broader question about the entire business model of Efficiency Manitoba, but I just had a—because, for example, in the mandate it says, you know, to mitigate the impact of rate increases on Manitoba ratepayers through the delay of Manitoba's hydro—Hydro's need for major capital investments in new generation and transmission projects. As I understand it, I mean, I think back in 2007-2008 it was recognized that if Manitoba Hydro could actually get a dam's worth of electricity out of efficiency projects, then that electricity freed up, if it were not being sold to Manitobans, would therefore—could be sold at a profit outside of the province. But what happened instead is that we built two dams at great expense. Manitoba Hydro has 20-plus billion dollars in debt.

Am I wrong in thinking—because there's two kinds of efficiency, I mean, it's broad, but there's the electrical efficiency which—and the G—the greenhouse gas efficiency, you know, natural gas. I can see that there are both economic and environmental benefits in efficiency that specifically targets natural gas rather than hydroelectrical consumption.

So is—I'm just trying to understand, is the business model of Efficiency Manitoba that it is being paid by Hydro to reduce Hydro's revenues?

Ms. Kuruluk: Yes, so, what I will say with respect to the model, I guess, at a very high level, in virtually all jurisdictions in North America, the efficiency programs are paid for by the utility. And so in terms of the value that Manitoba Hydro has for both the saved kilowatt hour or the saved metre cubed of natural gas, certainly diving into those details would be a question for Manitoba Hydro. But I will say, on the electric side, it's a—the value for the kilowatt hours—not just the export value, that's a component of it—but it's also avoided construction assets, so whether it be transmission lines or distribution lines or even

generation. So there is an avoided cost for deferring or delaying the need to pursue those oftentimes pricey projects, if that answers that okay.

Mr. Lamont: Yes, great, yes, thank you for that. I know—and there's a number of mentions of sort of private sector partnerships, and I know there have been difficulties getting into, you know, existing schools, say, with retrofits. But at the same time, I think the Province has committed to—sometimes it's 13, sometimes it's 20—new schools.

Is there—and I've received a number of emails from people across the province hoping that these schools would be constructed to be climate resilient, and I was just wondering if—does Efficiency Manitoba play any role in or are they working with education in building new buildings, or is the focus more on retrofits in existing private infrastructure?

So, do you—is there a role for Efficiency Manitoba in ensuring that these buildings are built to last and to—built to be as efficient and low energy as possible?

Ms. Kuruluk: Yes, and thank you for that question.

For certain, renovation will always be a huge aspect of our targets, and I think this is not uncommon to Manitoba. The International Energy Agency predicts that 80 per cent of all energy efficiency will come from retrofits.

New construction, though, one hundred per cent. We have a role to play in making sure that all new buildings are not only climate resilient but operating at as least cost as possible. We have team members from Efficiency Manitoba that work with the provincial government and work on things such as green building policies for new construction activities, and those are all things that are under way.

And can—the government can be participants, of course, in our program, and I think, just for absolute clarity, our legislation even specifically stated that government can access our incentives.

Mr. Lamont: I just—when you—on page 15, the benefiting of the Manitoba economy, we've had some questions about accessibility.

So, one of that questions is just is there a—is the idea of equity, which is to say, having, sort of, progressive programs—sort of more help for people with more need and less help for people who need less help, supposedly—is—are those—are the programs designed to be equitable?

Are there industries that Efficiency Manitoba is seeking to help, sort of, targetting for support in order to reduce—to, sort of, get maximal reductions in terms of your investments?

Ms. Kuruluk: So, maximum reductions with our investments. So, for us, equity is about the first part of your comments there, which was about helping those that need help further. So, equity was definitely a topic that came up in the Public Utilities Board hearing in 2019-2020, and we take that to heart with all of our programs.

So that is why you'll see our Energy Efficiency Assistance Program, for example. There is—the barriers for the residential homeowner that's income qualified are virtually removed.

We've even offered—and it's just got awarded for tender now, and I believe the company that received that tender—or was successful in that bid—was a very local social enterprise. So—but the service that they're going to be delivering that really speaks to our position on equity is—it's called a decluttering service.

And so, what we recognized historically is that there was difficulty in accessing spaces within homes to insulate, for example, and some of these customers were not able to work to have their basement cleared out and to make space for insulation, for example, and so that decluttering service is a good example of something that we've added to the Energy Efficiency Assistance Program from an equity perspective.

In addition, we have our small-business program, which—what we recognized is that oftentimes the lighting suppliers or the lighting contractors, to pursue a very small job in a small commercial business isn't—doesn't have the economies at scale, so we ended up bumping up our lighting incentive for those very small qualifying businesses. Again, you know, trying to hit equity for those that need it most.

Mr. Lamont: I have two questions.

One is a silly one. I was going to ask if your decluttering service is based on the work of Marie Kondo, and that you only returned those things that spark joy to people's houses, but that's just me being silly.

The more serious question is—look, there are all sorts of other—there are other kinds of efficiencies—or, is there work being done with agricultural—because there's, look, you know, there's natural gas, greenhouse gases, carbon, and then there are various

other kinds of GHGs which are a higher—which have a much higher impact.

* (11:10)

Is there any work being done, or thought of work being done, with the agricultural sector to reduce things like nitrous oxide or another heavier greenhouse gases that have a much more—a much greater impact?

And that's my last question, and I'll pass it back to the member for Wolseley (Ms. Naylor).

Ms. Kuruluk: Yes, I'll just—I'll start by appreciating that comment because the agricultural customer actually is a differentiator for Efficiency Manitoba. We noted that they've been absent in past delivery, not that they couldn't apply, but they do need some very specific messaging. So the agricultural customer is very important to us, just as important as they are to the Manitoba economy.

We invited Keystone Agricultural Producers to be a member of our Energy Efficiency Advisory Group, so we have a really great connection there and making sure that our programs are reaching those customers and adapted to those customers.

In terms of nitrous oxide, definitely not something that Efficiency Manitoba has covered in our mandate. We do cover, however, programs that might use by-products of a process to do load displacement. So we have, you know, one industrial customer that's producing some pretty bad by-products and they, in turn, instead of releasing those by-products, use them to generate electricity for their process. So, insofar as a gas can be turned around and used at the facility or the building to reduce their electric or gas load, we can participate in those types of programs.

Mr. Chairperson: Ms. Naylor.

Your microphone, Ms. Naylor.

Ms. Naylor: Thank you to the member for St. Boniface (Mr. Lamont) for using his 10 minutes so efficiently. And I have one final question and then we can wrap up.

So, I just—back to the big advertising campaign that's about to launch. Is—can you just tell us—can Ms. Kuruluk tell us a little bit more about what that will entail? Is it going to be targeting one particular program or number of programs? And what can we expect to see?

Ms. Kuruluk: So the advertising that Ms. Naylor is referring to speaks to that level of brand advertising,

so that again, that's not program-specific, that's, you know, introducing Efficiency Manitoba as being here to help these customer segments. And it's, you know, we've purchased media in billboards, television, digital, social and they'll all be leveraging each other to make sure that the message gets out to Manitobans. But I feel like we have advertising by us that started yesterday even, so something you could be seeing very shortly. And at the brand level, not the program-specific.

Ms. Naylor: I'll call this a follow-up since I said that was one final question. But will there be any specific targeting as part of this rollout—specifically to those low-income programs, low-income families, that might not necessarily see themselves in relation to the advertising campaign that you're talking about?

Ms. Kuruluk: So, with respect to energy efficiency assistance programming and—completely agree—making sure that we're reaching those customers, as—especially as the health orders start to lift. But that campaign, I believe, has been in-market, ongoing.

So, you know, we speak—our member of the Energy Efficiency Advisory Group that represents income-qualified customers is Consumers' Association of Canada, the Manitoba chapter. And so we work pretty closely with Ms. Gloria Desorcy to make sure that the types of advertising that we're selecting for that particular market segment are ones that are going to reach that customer segment, and so I know that there's been several billboards already in place, a radio and I don't believe TV for that one, but one hundred per cent, we'll—we have been doing that program-specific advertising and will continue to do so.

Ms. Naylor: Again, I really want to thank Ms. Kuruluk for her time today and answers to the questions and to everyone for being here today, and thank you.

Mr. Chairperson: Are there any further questions?

Mrs. Guillemard: I just also want to take a moment to thank everyone for participating in today's committee, especially Ms. Kuruluk. You've done a wonderful job as the CEO of Efficiency Manitoba, a new Crown corporation, and I do look forward to further committee meetings where we can explore, you know, the progress that has been made.

Also, thank you to Dr. Montufar for joining us today and giving some comments earlier on. I appreciate all the work that you and the board have done throughout the last 21 months.

I thank the members, as well, from the opposition, as well as from my own caucus. It's been a very good morning of information sharing, very tough questions, but I appreciate the ability to share the information in a very succinct way, which I think that Ms. Kuruluk has done.

So thank you very much for everyone who has joined today.

Mr. Chairperson: Are there any further questions?

Seeing no further questions, I will now put the question on the report.

Annual Report of Efficiency Manitoba, including supplement, for the fiscal year ending March 31st, 2021—pass.

The hour being 11:16, what is the will of the committee?

Some Honourable Members: Rise.

Mr. Chairperson: Committee rise.

COMMITTEE ROSE AT: 11:16 a.m.

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