

Sustainable Building Manitoba Inc. appreciates the opportunity to review and provide our insights and comments on the proposed Efficiency Manitoba Plan. We would like to congratulate all those involved in preparing this long-awaited Plan.

Sustainable Building Manitoba Inc. is a not-for-profit member-based organization with a Vision of *"A sustainable built environment in Manitoba"*. Our reach of over 1,200 people and numerous corporate supporters all work towards our Mission *"To be a leader, showcase local innovation, and inspire our stakeholders to create life-enhancing environments"*. Now in our fourteenth year, we actively carry out this mission by offering networking and education opportunities, by promoting collaboration in the local industry and advocating for sustainable building in Manitoba. As a result of these activities, we are increasing the number and capacity of skilled workers in the sustainable building sector. We are the most recognized sustainable building knowledge hub for governments, media and industry.

Our advocacy is focused on;

1. Proposals for programs and actions that result in, or could lead to, real and verifiable reductions in greenhouse gas emissions in the building sector.
2. Consider factors such as effectiveness, cost, efficiency, ease of implementation and stakeholder acceptance.
3. Co-benefits such as business development, jobs and water impacts should also be identified.

Sustainable Building Manitoba Inc. is pleased that our organization is recognized as participating in the Energy Efficiency Advisory Group. Our members and supporters are comprised of design, construction and building operation professionals that are able to address the challenges of climate change. Not only can these individuals and organizations effect lower emissions, they can provide more robust and resilient buildings that will withstand the catastrophic impacts of our changing climate. Our organization is always willing to collaborate as required.

We would like to offer a few comments for the Public Utilities Board's consideration;

1. The cost of the natural gas program is very high. The acquisition costs is about six times the current selling price of natural gas and about three times higher than the similar Energir program in Quebec.

When the reductions due to codes and standards are removed (since they would occur in the business as usual case anyways) the estimated natural gas reduction amounts to 8.6 million cubic metres per year at a cost of \$20,989,000, or \$2.44 per cubic metre or about nine times the selling price of natural gas.

Sustainable Building Manitoba would suggest focusing on deep energy retrofits for social housing. This would reduce the cost per cubic metre as well as providing benefits to the hard to reach segments of society that is one of the requirements of this Plan. In addition, the economic benefits of doing these deep energy retrofits would stay within the public purse and be available for incremental investments to further drive social and environmental benefits.

2. The Federal Carbon Tax will also drive some reductions in natural gas usage in Manitoba. The methodology for determining if a reduction is due to an EM program or the Carbon Tax is not obvious. A clear robust method should be developed as part of the program assessment in order to avoid double credit.
3. The natural gas reductions due to Codes and Standards is 32% of the target. While the legislation does allow for Codes and Standards to be counted as part of the target reductions, it is not clear as to what period it applies to. In the proposed Plan, Codes and Standards changes from 2008 to present are included. The proposed Plan does reference a Building Code revision in 2020 but the details are missing

It is recommended that only Codes and Standards that come into effect during the Plan period are considered as reductions towards the target and those prior to the Plan period be considered as business as usual. This approach would ensure that the EM Plan meets a high standard for additionality.

4. It has been demonstrated time and time again, that building design, construction and operation provide the “low hanging fruit” for cost effective energy reductions. Many macro-economic models have shown that greenhouse gas focused building improvements can actually be done with net cost savings that are easily realized. A word of caution though, while all building projects can be helpful in this regard, deep energy retrofits, including building envelope upgrades provide the highest return on the investment made. Manitoba’s portfolio of government buildings has a number of opportunities just waiting for this to happen.

Along with the economic benefits, improved occupant health and productivity in sustainable buildings are substantial.

5. The previous PowerSmart brand was one of the most recognized brands in Manitoba. The EM Plan could include additional programs to strengthen the EM brand to the point where energy efficiency is top of mind for most consumers. This could include doing outreach and education on the more holistic benefits of reducing our energy footprint. This outreach could be provided by an ENGO with expertise in behaviour change and social marketing already doing targeted education and outreach programming.
6. The United Nation's latest IPCC reports are clear that drastic emission reductions are required.

While we recognize that the EM Plan is focused on meeting the targets stipulated by government, and it is only part of Manitoba's climate change plan, we would be remiss to not mention that the natural gas reduction target is well below what is required in order to do Manitoba's part in reducing greenhouse gas emissions. For example, the annual growth of natural gas customers has averaged 0.95% over the past few years. This is not sustainable and we would encourage the PUB to consider measures to curtail further expansion of the natural gas market in Manitoba.

In summary, the case for sustainable building has never been stronger - not only are the environmental benefits well defined, the additional benefits of keeping investment capital in Manitoba, climate resilient infrastructure and stimulating new innovation in clean energy, business and jobs will truly lead to a better Manitoba for all.

SBM Board Approval:                      December 18, 2019