Berwick Green Energy Program Six-Month Update







Berwick Green Energy Program: Six-Month Update



Background

From 2013-2017, Berwick offered a PACE (Berwick Green Energy) Program that saw 11 participants undertake energy upgrades. This equates to roughly 2.5 participants per year.

Equilibrium Engineering (EQ) was retained for the administration of the Berwick Green Energy Program in May, 2019. EQ has deep knowledge and experience in starting up and administrating PACE municipal financing programming. Initial adjustments to the program's marketing and processes were made to help streamline the program experience for the Town of Berwick, home & business owners and contractors.

Consistent with the existing PACE by-law, financing is for up to 10 years at a rate of interest of 4% per year. Participants are responsible for a one time 5% administration fee, which is rolled into the financing and covers EQ's costs for program administration. Up to 15% of the property's value may be financed. The program operates at no net cost to the Town of Berwick.

The Berwick Green Energy Program finances energy upgrades which includes measures that lead to reductions in costs, greenhouse gas reductions and/or power demand reductions. 'Beneficial Electrification' is also common (e.g. converting from oil-fired heat to a heat pump).

Program Uptake and Local Economic Activity in First Six-Months

Berwick Green Energy Program participation has shifted up sharply from prior years. There are currently 21 signed agreements for energy upgrades. EQ is forecasting 40+ participants for the first year of EQ administration, which equates to 3.8% annual participation of the 1,040 homes and businesses in Berwick.

From May-November 2019, \$200,652 in energy investments have been made by residents, saving them money as well as generating local economic activity. EQ is forecasting between \$300,000-\$400,000 in annual PACE investments in Berwick based on current program trend.

Table 1: Berwick Green Energy Program - Key Participation Metrics

Expressions of interest	66
Total number of Participants (signed)	21
Number of heat pump projects	19
Number of insulation projects	1
Number of heat pump water heater projects	1
Total EQ administration fees (HST included)	\$9,554.86
Total costs to homeowners (HST included)	\$200,652
Estimated rebates received from Efficiency NS	-\$12,000
Average Value of Efficiency Investment (not including rebates)	\$9,555

A key program objective is designing payments to be less than anticipated savings. Savings can vary considerably by the type of efficiency investment, size and type of home/business, number and type



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of occupants and weather conditions. EQ has estimated savings based on best engineering judgements. EQ is recommending that after one year, some random validation of program participants savings be conducted with actual bill analysis.

Table 2: Berwick Green Energy Program - Key Energy and Environmental Savings Metrics

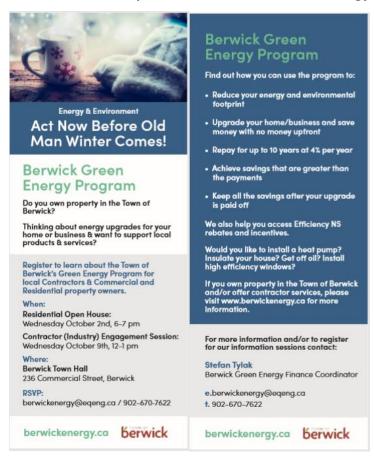
Estimated Annual Energy Savings for Participants	\$28,979
Estimated Annual Greenhouse Gas Reductions (kg of CO₂e)	71,176
Average Monthly Payment (includes taxes, financing, admin fees and rebates)	\$82
Average Monthly Savings	\$115

Program Marketing Activity

Over the last six-months, promotional activities included:

- Setting up a website (www.berwickenergy.ca), email address and phone number;
- Hosting homeowner and business owner Open Houses on June 26 and October 2, 2019;
- Hosting contractor (industry) engagement sessions on June 27 and October 9, 2019; and
- Print and Social Media Promotion

Figure 1: Bill Stuffer used to promote the Berwick Green Energy Program





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Media Coverage

On November 2, 2019, the Chronicle Herald published an article titled <u>Berwick Joins Communities</u> <u>Making Declarations of Climate Emergency</u>, which referenced financing through the Town's Berwick Green Energy Program for energy efficiency upgrades and renewable energy systems.

On November 6, 2019, CBC News: The National covered Berwick's efforts towards climate action: <u>Nova Scotia Town tries to tackle the climate emergency</u>, which also referenced the role that the Berwick Green Energy Program plays in helping to mitigate climate change.

Future Program Highlights & Recommendations

It is expected that the first commercial building(s) will complete upgrades soon, likely in the 2019 calendar year. This would be the first commercial PACE financed project anywhere in Canada.

The Berwick Green Energy Program is a practical and effective means of enticing property owners in Berwick to help mitigate climate change. This is particularly relevant after the Town of Berwick recently declared a climate emergency and continues to "green" its electricity grid. A program emphasis on decarbonization via electrification of heating loads will continue to be stressed.

As mentioned above, Equilibrium would recommend random energy savings validation using bill analyses in the Summer of 2020.

There has been a high degree of positive program feedback as seen from testimonials below:

