

NEER Stakeholder Advisory Group Meeting Notes

Customer: Town of Newmarket

Project: Home Efficiency Business Plan

Date / Time: November 29, 2018 – 18:30 to 21 EDT

Topic: Stakeholder Advisory Group Meeting #1

Prepared for: Meghan White – Town of Newmarket, Project Manager

Copied to: Stakeholder Advisory Group (SAG), Project Working Team, Public

1. Background

These Meeting Notes summarize the Stakeholder Advisory Group (SAG) held at the Newmarket Town Hall on 5th September 2018 between 6:30 and 9:00 pm. These Meeting Notes should read in conjunction with the guide presentation distributed separately:

File Name: 180905_ToN_NEER_SAG_Distribute

The meeting agenda and participants are included in Annexes 1 and 2. These Notes were prepared by Karen Farbridge, Rob Kerr and Justin Campsall (Town of Newmarket).

2. Agenda Review and Introductions

Each SAG attendee introduced themselves. Karen Farbridge introduced herself as the Chair for the first meeting only.

Six members of public attended the meeting as observers and in accordance with the Charter.

Approximately half of the SAG members present were part of the SAG that supported the development of the Community Energy Plan in 2016

The meeting kicked off with a review of the agenda (see Annex 1). No changes.

3. SAG Charter and Appointment of Chair

The SAG Charter document had been distributed to the attendees in advance of the meeting for their review.

A brief discussion took place about the membership of the SAG. The Chair indicated that:

- There are still SAG seats to be filled in the categories of Property Owners, Large Energy Users and the Development Industry.
- The Town has posted a public notice to recruit two “members-at-large” from the community. The selection of these two members will be completed before the next SAG meeting.
- The Chair (Karen Farbridge), as a member of the Project Working Team, was acting in the capacity of Chair for this meeting only and that a Chair, selected from the SAG membership, would be appointed at the next meeting.
- SAG members were encouraged to consider putting their name forward, through Meghan White, to be the Chair.

The Stakeholder Advisory Group approved the Charter with no amendments.

4. Community Energy Plan (CEP) Recap

<p>Newmarket Community Energy Plan Goals</p>  <ul style="list-style-type: none"> Economic Development Energy Generation & Distribution Behaviour Change & Education Energy Efficiency of Buildings Land Use & Growth Planning Transportation Efficiency 	<p>Newmarket CEP Summary of Strategies</p>  <ul style="list-style-type: none"> Strategy 1a: Residential Efficiency Strategy 1b: Commercial/Institutional Efficiency Strategy 1c: Industrial Efficiency Strategy 1d: Transportation Efficiency Strategy 2: District Energy Strategy 3: Solar PV <p>Meet CEP Goals</p>
<p>Residential Efficiency 2031 Efficient Case – Existing Homes</p>   <ul style="list-style-type: none"> Targets <ul style="list-style-type: none"> Deep retrofit of 80% of existing homes Efficiency gain of 30% & 50% depending on age/type Average 1,500 retrofits/year Strategy <ul style="list-style-type: none"> Create Entity to deliver retrofits standardized by property age & type Team with local contractors, material suppliers and investors Use LIC and standardized pricing approaches to create scale <p>Essential to Achieve Scale</p>	<p>Residential Retrofits Achieving Scale</p>  <ul style="list-style-type: none"> Create Town entity to deliver energy retrofit packages standardized by property type and age Team with local contractors and material suppliers to minimize cost and maximize quality Create scale using Local Improvement Charge (LIC) and Standardized Pricing Financed from private capital market at near municipal rates under municipal guarantee Prioritize Residential Efficiency in 2017 <p>Easy to Sell / Easy to Buy</p>

Peter Garforth led this section of the agenda. The full detail of the CEP recap is found in the PowerPoint deck that is part of the SAG meeting documentation.

The following summarizes the major highlights and feedback from the SAG.

The NEER Home Efficiency Business Plan project is a major recommendation of the Community Energy Plan. A NEER non-residential strategy will be considered in the future.

Presentation of baseline energy use and greenhouse gas (GHG) distribution includes transmission losses related to combustion and does include energy losses upstream (i.e. transportation of coal to an electricity generation plant).

The current targets of the CEP come close but fall short of the current GHG targets set out by the Province.

A question was posed as to why there is no business plan for solar PV. Answer: CEP strategies are not sequential, but priority business plans included 1. Home Retrofits and 2. District Energy as they require institutional responses.

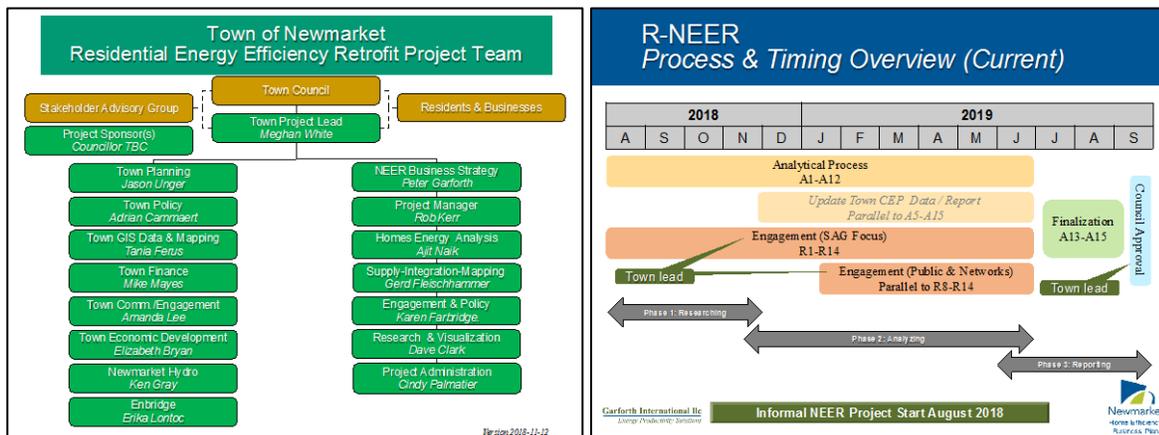
One SAG member, an original CEP member, recalls how difficult it was to get data in the original CEP effort. Peter Garforth indicates that data was much easier to acquire for this project, much to the credit of the participating utilities.

A SAG member highlighted the opportunity for a district energy node at the hospital given its high use of steam.

Peter Garforth shared news that the original CEP analysis will be “re-based” to bring the community-wide baseline from 2013 to 2016.

The analysis for transportation in the rebasing will be much more robust due to more rigorous methodology and improved data availability.

5. NEER Project Overview



As Project Manager, Rob Kerr provided an overview of the Project Team and the Project Timelines. He also explained that the Communications Strategy will be embedded into the overall Engagement Plan. The technical detail of the NEER Home

Efficiency Business Case Project Overview is found in the PowerPoint deck that is part of the SAG meeting documentation.

The Engagement Plan, which will be further described in subsequent SAG meetings, defines four major channels through which engagement activities will take place. They are: the SAG, Public, Municipal Departments and Town Council. Also, three Major Stakeholder Groups will be engaged: Homeowners, Contractors and Investors.

The analytical process will support and inform the engagement process and related communications.

The following summarizes the major highlights and feedback from the SAG.

A description was provided as to the planned Major Stakeholder Groups (residents, contractors, financial investors) and how they are different from other stakeholders. These three stakeholders will be critical, participating stakeholders to the business plan.

A question was posed from the members regarding energy bills – gas and hydro and how they contain both variable and fixed costs. Will the NEER Home Efficiency Business Plan address one or both?

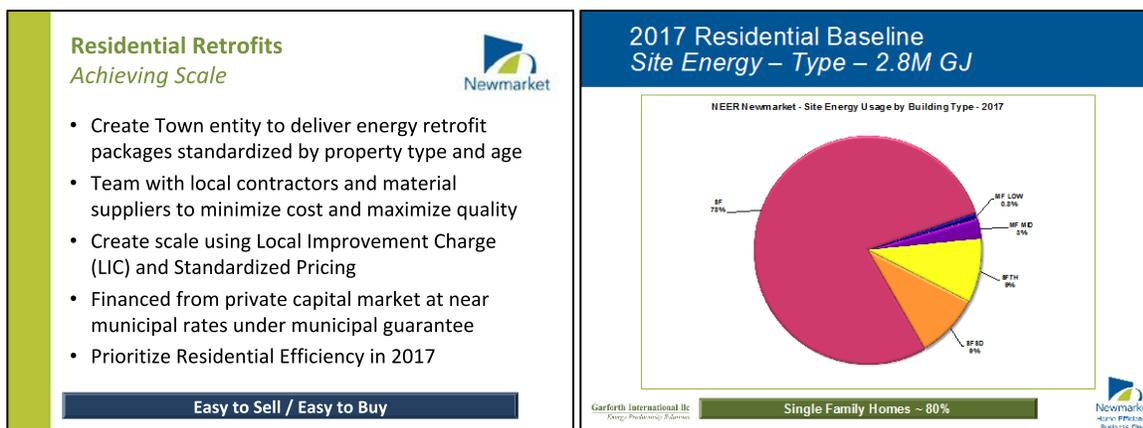
Peter Garforth described how an integrated approach to energy planning allows for determining the trade-offs between energy and GHG emissions. One approach could have high energy savings but low GHG reduction and vice versa.

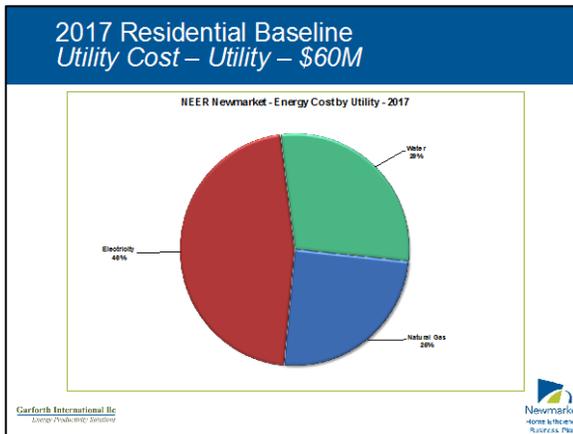
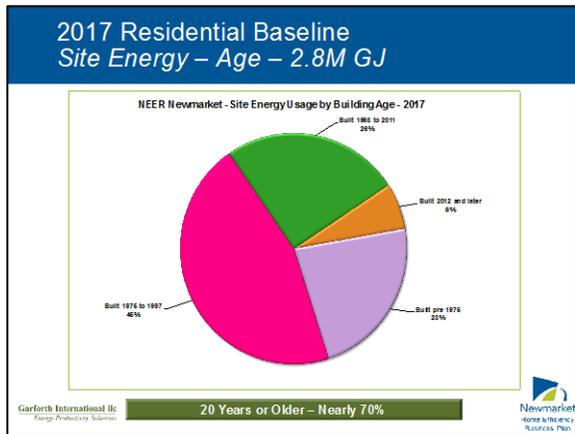
One member described the MyHeat project in Hamilton that did thermal imaging of homes to determine areas of high heat loss.

There was a discussion of how Ontario's Climate Plan (released Nov. 29) includes policies for real estate audits and labeling.

A SAG member asked if the analysis can link demographics to energy maps. The answer was yes and work was already underway.

6. Baseline Review and Framing Goal





- ### 2017 Residential Baseline Summary of key findings
- The residential sector consumed 4.1 million GJ of energy emitting 118,000 tonnes of GHG in 2017
 - 1.3 million GJ of that energy is consumed prior to reaching the consumer (conversion losses)
 - Homeowners and tenants paid \$60 million for this energy
 - Costs are expected to increase to \$130 million - \$222 million in 2042
 - Most of these energy dollars leave the community
- Garforth International Inc. Energy Productivity Solutions
Newmarket Home Efficiency Business Plan
Note: Updated 2018-12-01

Peter Garforth led this section of the agenda. The technical detail of the Baseline Review and Framing Goals is found the PowerPoint deck that is part of the SAG meeting documentation.

The following summarizes the major highlights and feedback from the SAG.

The baseline addresses both energy and GHG. However, the focus of this NEER project will be on energy in order to focus on the financial viability of the Business Plan.

Best practice in home energy efficiency is found in Europe and will act a reference for the ongoing development of the Business Plan.

The original Community Energy Plan had 12 Energy Planning Districts (EPD). As a result of the availability of higher-resolution data, the NEER Business Plan will be based on 29 separate EPDs.

Age grouping of homes has been adjusted into 20-year sections on the basis that homes will be eligible for a retrofit after 20 years.

70% of the energy costs in the residential sector is attributed to homes 20 years or older.

Total energy costs in the residential sector in 2016 is approximately \$60M.

Utility cost distribution for the average home are: 46% electricity, 29% water and 25% natural gas.

Despite the current lack of clarity in the costs of carbon (carbon tax or equivalent) it will only help the business case for home retrofits.

A conversation took place discussing the high-level goals of the NEER Business Plan and its support for the goals of the Community Energy Plan, including:

- Home retrofits support the CEP goal of making the community more competitive, financially secure and environmentally conscious.
- Implementation of the NEER Business Plan will drive local employment and economic development
- The NEER Business Plan will have the focus of improving home comfort, convenience of retrofit and the improvement of re-sale value.

A discussion took place regarding the concept that the framework for the NEER Business Plan currently does not include home energy audits. Peter Garforth explained that the guiding principle of the Plan will be to reduce transaction costs, of which energy audits are a significant example.

7. Homework: What is your energy retrofit persona?

A discussion ensued based on hand-outs that provided an overview of the different personas of home owners and their relationship with potential energy retrofits.

SAG members were given homework to determine what persona they might be.

A conversation from several members suggested that there were other personas....the “Flipper” and the “Technology Guy”

Two SAG members indicated that they have personas they use in their work. Also, apparently the IESO has done some work in this area.

8. Communications

Key communication outcomes from the SAG #1 meeting:

- Posting of the SAG minutes online
- Posting of SAG membership online
- Memo (or communique) from the SAG related to kick-off of the SAG meeting series. (See Annex #3)

The Chair circulated a draft Community Communication for the SAG. Amendments were made to include commentary about water costs and the community resources supporting the project. See Annex 3

9. Meeting Schedule and Next Meetings

The Meeting Schedule was confirmed.

Meghan White, the Town's NEER Project Manager will update Council on the NEER Business Plan on December 11.

10. Take-aways

SAG members indicated a number of notable learnings in the meeting:

- Single Family Homes including semi-detached and townhomes are 90% of total residential energy consumption
- The number of energy dollars that leave the community
- How much water costs contribute to the typical home utility cost profile (29%)
- The total residential energy used in the community is much more than expected (over 25%)

11. Follow-up Activities

1. Distribute document package
2. Distribute meeting calendar for all future SAG meetings
3. Issue a communiqué describing the first SAG meeting and its purpose