



Community Energy Initiative

# Energy Poverty in BC – Drivers and Policy Solutions

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## About Us

**Ecotrust Canada** has partnered with communities for 25 years, planting the seeds of wholesale systems change. Together, we build innovative, on-the-ground examples of an economy that provides for the essentials of life.

Our Community Energy team focuses on projects and policies that reduce the cost burden for communities that are face high energy bills – due to a combination of poor quality housing, low incomes and lack of access to affordable energy sources.

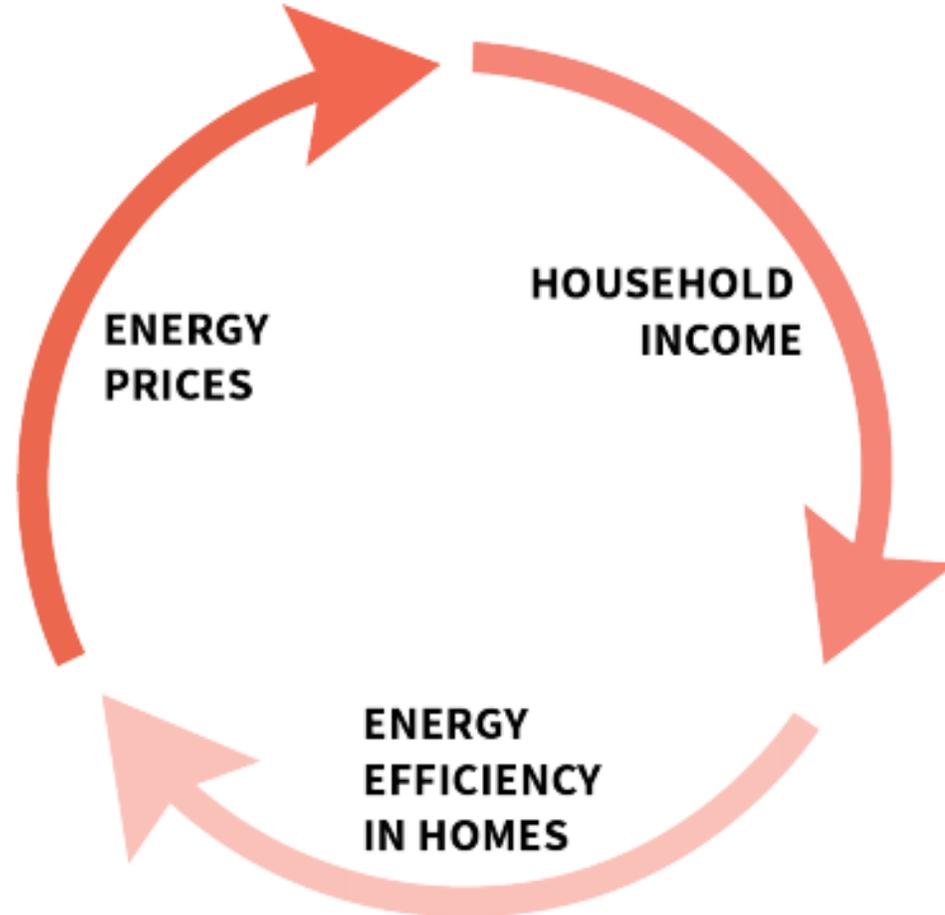
Our community partners include the Heiltsuk Nation, Regional District of Mount Waddington, Quatsino First Nation and 'Namgis First Nation.

# Overview

- Land acknowledgement
- Drivers of energy poverty
- Equity and health
- BC's policy gap
- Big move 1: Basic energy access
- Big move 2: Retrofit programs
- Big move 3: Affordable electrification
- Big move 4: Justice-based approach
- Energy security

# Drivers of energy poverty

## THREE DRIVERS OF ENERGY POVERTY



# Equity and health implications of energy poverty



- Recent immigrant, racialized and Indigenous households can be at greater risk of experiencing energy poverty.<sup>1</sup>
- Energy poverty disproportionately impacts rural communities – **up to 3x the provincial average energy cost.**
- Energy poverty is strongly linked to inefficient, leaky and unhealthy housing, and leads to higher instances of respiratory and cardiovascular disease.<sup>2</sup>
- Energy access is fundamental to health, safety, and comfort – particularly as we spend more time indoors.

# The policy gap in BC



- Basic energy services for heating, lighting and cooking are a human right.
- Ensuring everyone can afford adequate heating, lighting and ventilation in their homes will contribute to better health outcomes and a more resilient society.
- Unfortunately, BC is facing systemic policy issues, and is moving in the wrong direction.
- **One in five** British Columbians report that they have had a harder time paying their energy bills since the COVID-19 crisis began, and 70% supported new, permanent protection programs.<sup>3</sup>

# Big move 1: ensure basic access to energy



- **BC does not have any form of ongoing energy bill relief** for low-to-moderate-income and vulnerable households, despite a 2017 promise to create a ‘lifeline rate’.
- Compounding the problem, BC Hydro intends to discontinue the Customer Crisis Fund, leaving no support structures in place.
- <- Our [most recent report](#) proposes the introduction of a basic energy rebate for qualifying low-income and at-risk BC households, modelled on programs in Ontario, California, New Brunswick and Nova Scotia.
- A goal of these programs should be to eliminate the need for disconnections

# Big move 2: make retrofit programs more inclusive



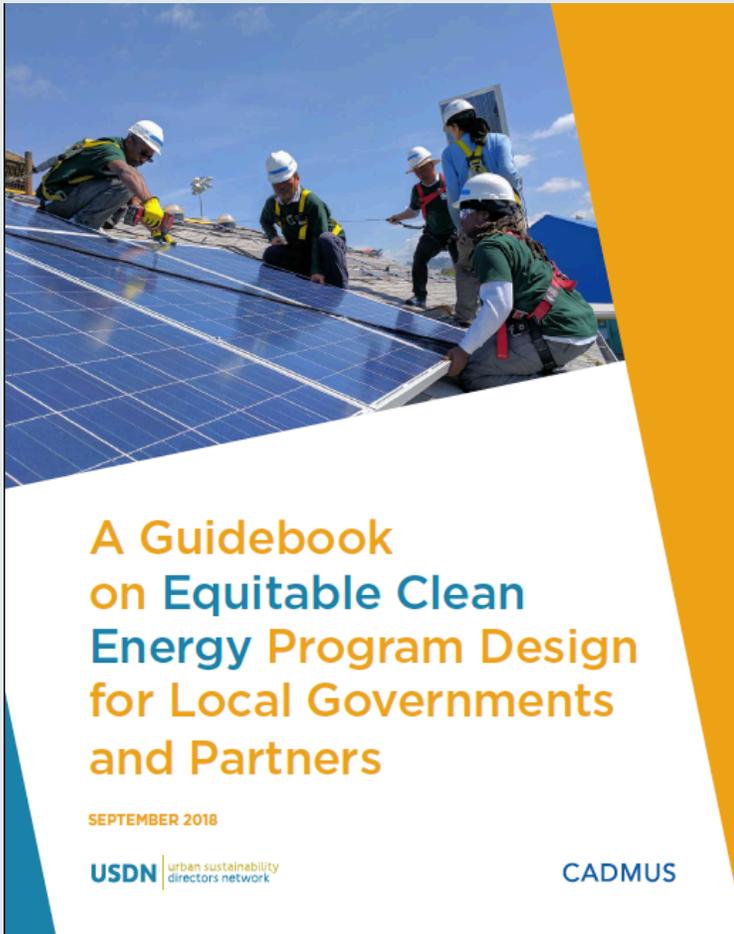
- **In BC, energy retrofit programs for low and moderate-income households have not achieved widespread adoption or significant bill savings.**
- ECAP reaches only ~%1 of eligible participants per year, at this rate it will take many decades to reach all 400,000 eligible households .
- Of households that did participate in ECAP, the average bill savings resulting from installed energy efficiency improvements amount to just \$100 per year.<sup>4</sup>
- The ECAP program needs a significant boost, along with increased access to rebates

# Big move 3: make electrification affordable



- Rural customers, especially those heating with electricity, pay up to 3x the average energy bills – **and do not have the same access to rebates.**
  - Electric-to-heat pump conversions are critical
- The province has a goal of electrification, but current rate structure penalizes heating with electricity.
- Peak electricity rates need to be lowered for these customers – especially once the switch to heat pumps is made.
- We must also end the current trend of switching to natural gas as the most affordable choice – incompatible with climate goals
  - Increase supply and lower cost of RNG if possible
  - Increase carbon tax
  - Regulate fossil gas out of the market

# Big move 4: use a justice-based approach



- Ensure flexible and inclusive eligibility criteria
  - Compare BC and NB
- Consider the customer journey
  - Many programs, like the Customer Crisis Fund, have been difficult and confusing to navigate
- Reduce administrative burdens
  - Single point of access for social assistance
  - Coordination between delivery agents
- Address systemic inequities
  - Indigenous and rural households are more likely to live in housing in poor repair

# Energy security: toward fair and inclusive energy access



- **We face overlapping crises – climate, housing, poverty and a pandemic**
  - All homes need to be brought up to modern climate, ventilation and energy standards
  - We must not leave behind low-income, at-risk and renter households.
- **10,000** low-income household retrofits per year will be needed to achieve this goal by 2050.<sup>5</sup>
  - energy efficiency and retrofits are among the most effective job creators of any sector – **every \$1M invested creates up to 13 jobs.**<sup>6</sup>
  - Health, climate and poverty goals will all be advanced
  - <- For more on energy security read [our report](#)



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5. Based on an estimate of 272,000 BC households currently in energy poverty. <https://energypoverty.ca/background.pdf>
6. <https://www.pembina.org/pub/efficient-buildings-infographic>