

June 14, 2023

Hon. David Eby, Premier
Hon. Josie Osborne, Minister of Energy, Mines and Low Carbon Innovation
Hon. Sheila Malcolmson, Minister of Social Development and Poverty Reduction
Hon. George Heyman, Minister of Environment and Climate Change Strategy

Dear Premier Eby and Ministers Osborne, Malcolmson and Heyman,

We are a group of First Nations, industry, anti-poverty, labour, public health, and academic organizations committed to supporting your government in achieving the CleanBC climate targets, and to reduce energy bills and improve health outcomes for the hundreds of thousands of British Columbians that live in energy inefficient, unhealthy homes.

Extreme heat and weather induced by climate change is already killing British Columbians, as the June 2021 heat dome and subsequent [Extreme Heat Death Review Panel Report](#) demonstrated. Yet, we know that home retrofits to improve air quality, increase energy efficiency, and provide cooling can save lives.

Unfortunately, rebate and incentive programs for home energy retrofits are disproportionately accessed¹ by those who need them the least, while lower-income households *cannot afford* to make their homes more climate resilient, or make the energy efficiency improvements that would lower their utility bills.

The B.C. Government's creation of an [Income Qualified Program](#) for home retrofits in 2021 was an important first step in addressing this challenge. However, limits on total funding and allowable rebate coverage result in a significant portion of installation costs still falling on lower income households facing energy insecurity. This presents an unnecessary barrier to efficiency retrofit and heat pump adoption for the households that would benefit most from this support. Residents of multi-unit residential buildings (MURBs) and First Nations communities also face eligibility and access issues when applying for the program.

While BC has demonstrated leadership on climate action through the CleanBC program, B.C. is now lagging behind other jurisdictions in the area of income-qualified programming. Provinces such as [Nova Scotia](#), [New Brunswick](#), and [Prince Edward Island](#) have introduced programs providing a free heat pump to residents meeting an income threshold.

We call on the B.C. Government to **expand the CleanBC Income Qualified Program and provide full cost coverage** for retrofitting and electrifying the homes of the 272,000 B.C. households

¹ e.g., FortisBC Energy Inc. projects the rate of free ridership in their Residential Home Renovation Program to range between 3% and 39% in 2023, depending on the retrofit measure. See: https://www.cdn.fortisbc.com/libraries/docs/default-source/about-us-documents/regulatory-affairs-documents/gas-utility/220705-fei-2023-dsm-expenditures-plan-application-ff.pdf?sfvrsn=c0ef272c_2

that are experiencing energy insecurity. The Program should ensure lower-income households pair building envelope upgrades with fuel switching to mitigate the possibility of increased energy bills and prevent over-sizing of mechanical systems. Such a program should focus on deploying electric heat pumps in **all building types**, including multi-unit residential buildings and homes on reserves.

Heat pumps have the potential to significantly improve indoor air quality and provide much-needed cooling during heat waves, in addition to lowering energy bills. As the existing rebate structure is not keeping up with inflationary and demand-related price increases, the Program should **provide 100% coverage** for this life-saving measure and lower barriers to access.

Such a program could be initially funded by making more existing CleanBC incentive programs income-tested, to reduce free ridership by wealthier British Columbians. If the program ramped up to around \$300 million annually², every energy insecure home in B.C. could receive a cost-saving and potentially life-saving heat pump by 2040.

Electrifying all lower-income households in B.C. will also significantly reduce emissions from the province's buildings stock, and the costs of inaction could be much greater. Dealing with the health impacts brought on by extreme heat and poor air quality could push our already fragile **\$27-billion** healthcare system to the breaking point. These impacts will only increase in frequency and severity while homes continue to utilize fossil fuels for heating and cooking.

This moment presents an opportunity to begin addressing many of the challenges facing British Columbians, from energy poverty to the climate crisis to the housing crisis. By bringing all homes up to modern energy and health standards, we could lower utility bills, improve the quality of the housing stock, and prepare for a changing climate by making our indoor spaces more comfortable and healthier. B.C. has a clear opportunity to address many pressing social issues in a cost-effective and holistic way.

Sincerely,

Aboriginal Housing Management Association

Affine Climate Solutions

B.C. General Employees' Union (BCGEU)

B.C. Indigenous Housing Society (formerly Vancouver Native Housing)

B.C. Poverty Reduction Coalition

Canadian Association of Physicians for the Environment, B.C. Committee

Centre for Family Equity

² Based on a representative retrofit cost of \$18,000 (the approximate cost of a centrally-ducted heat pump system), for 17,000 low-income households per year; enough to reach all 272,000 B.C. households experiencing energy insecurity by 2040. See: <https://ecotrust.ca/latest/research/transforming-income-qualified-home-energy-retrofit-programs-in-bc/>

CoEfficient Building Science
Create Climate Equity
Ecotrust Canada
Efficiency Canada
Haíłzaqv (Heiltsuk) Nation
Innovation Building Group Ltd.
Kambo Energy Group
Leq'á:mel First Nation
Montroc Consulting Inc.
MoveUP – Movement of United Professionals
'Nąmgis First Nation
Pembina Institute
Stand.earth
Technology for Living
UBC Centre for Climate Justice
UBC Housing Research Collaborative
Worker Solidarity Network