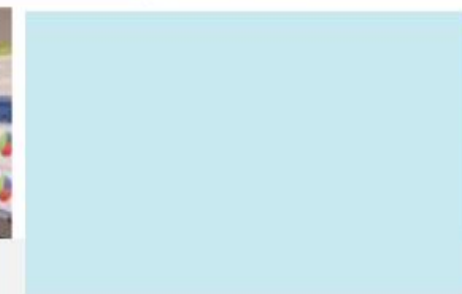




NEER-BP Updates

May 8th, 2023



Meeting Agenda

- a. Work completed to date
- b. Legal Assessment Updates
- c. Homeowner Survey Highlights
- d. Program Updates
- e. NEWCO – Innovation
- f. Soundness of NEER-BC

4a) Work completed to date

| Date | Activity | Description |
|---------------------------|--|--|
| Apr '22 – Apr '23 | NEER-BC Assumption Testing Modeling home deep retrofits Stakeholder presentation Drafting NEER-BP | Cost reduction, energy savings, contractor selection... Eight building archetypes HRAI, HVAC contractor, finance expert Market & survey analysis, technical & financial |
| May 16 th | Council Meeting | Last council meeting |
| November 9 th | Mayor & CAO Briefing Meeting | |
| December 27 th | Legal Memo | Legal questions meeting held on November 3 rd |
| January 18 th | Phone Survey Results | Random sampling conducted between December 19 th to 28 th and received 100 valid results |
| March 24 th | Online Survey Results | Self-selected sample, closed on March 17 th and received 141 results |
| April 6 th | Mayor & CAO Update Meeting | |
| May 8 th | Committee of the Whole Update | Update of key decisions to inform the business case including organizational structure |

4b) Legal Assessment Updates

- Aird & Berlis legal advice
- Other options considered
 - Program delivery directly by the Town
 - Special purpose corporation
- MSC is the preferred option
 - Liabilities contained to NEWCo
 - NewCo's debt is not consolidated with Town
 - Income tax benefit if Town ownership =>90%

4c) Homeowner Survey Highlights

Q: Are you considering a home renovation?

| | Total | Phone | Laptop |
|---|-------|-------|--------|
| ✓ | 41% | 23% | 55% |
| ✗ | 59% | 77% | 45% |

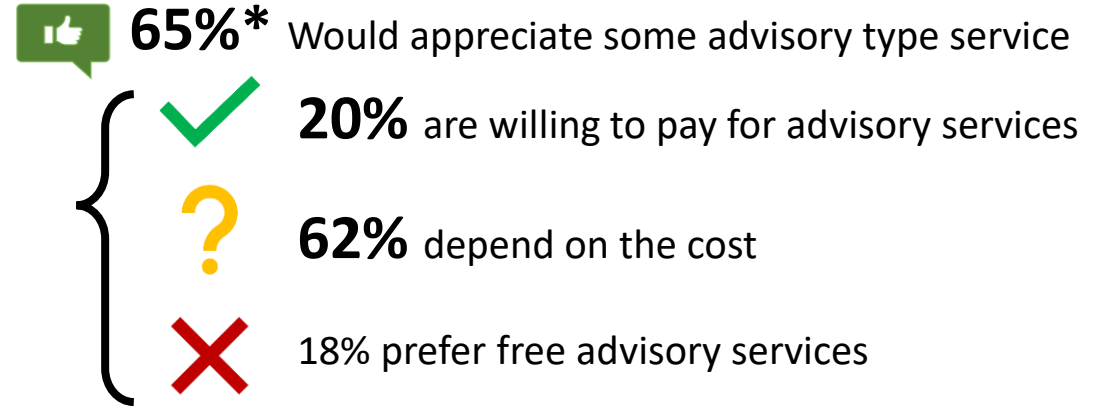
Q: Would you value the Town of Newmarket pre-qualifying contractors for quality workmanship, safety, and competitiveness?

✓ 83% YES

✗ 17% NO

N=240

Q: Would you be willing to get advisory services?



Q: If you will use some financing, what would your preference?
(N=241)

- 58% prefer not to borrow
- 23% prefer existing lender (bank, mortgage company, or line of credit)
- 20% prefer a municipal property assessment that stays with home (water heater rental contract)

Initial program design input

Design elements in consideration:



Contractor
Selection



Home Energy
Concierge Service



Financing
& Non Financing Market

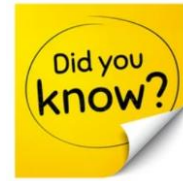


Communication

4d) Program Updates

CEF Program New Strategic Directions

- Geographic funding balance
- Innovation priority



**50% of original
\$300M budget
is committed**

Other Programs:

- Enbridge & NRCan
- CMHC

4e) NEWCO – Innovation



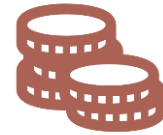
MSC
Approach



Contractor
Selections



Measure
Selections



Cost
Reduction



Program
Integration

Aligns with CEF program refresh innovation objectives

4e) NEWCO – Innovation



MSC Approach

- Brampton - NFP
- Alberta Municipalities (AMSC)
- Newmarket



4e) NEWCO – Innovation



Contractor Selections

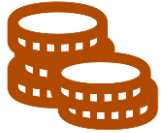
- Many programs prequalify contractors but uncommon for municipal PACE program.
- Spectrum of prequalification driven by commercial arrangement between:
 - Homeowner and contractors
 - NEWCO and contractors



Measure Selections

- Current PACE Programs →
 - À la carte
- NEWCO Programs →
 - Package +
 - À la carte

4e) NEWCO – Innovation



Cost Reduction

- NEER will be the first program to focus on cost reduction
- Improving financial payback will increase participation



Program Integration

- Enbridge/NRCan Greener Homes
- CMHC in collaboration with Greener Homes
- Other municipal programs

4f) Soundness of NEER-BC

