



# NEER-BP Updates

May 8<sup>th</sup>, 2023



# Meeting Agenda

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- 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 <sup>th</sup>	Council Meeting	Last council meeting
November 9 <sup>th</sup>	Mayor & CAO Briefing Meeting	
December 27 <sup>th</sup>	Legal Memo	Legal questions meeting held on November 3 <sup>rd</sup>
January 18 <sup>th</sup>	Phone Survey Results	Random sampling conducted between December 19 <sup>th</sup> to 28 <sup>th</sup> and received 100 valid results
March 24 <sup>th</sup>	Online Survey Results	Self-selected sample, closed on March 17 <sup>th</sup> and received 141 results
April 6 <sup>th</sup>	Mayor & CAO Update Meeting	
May 8 <sup>th</sup>	Committee of the Whole Update	Update of key decisions to inform the business case including organizational structure

# 4b) Legal Assessment Updates

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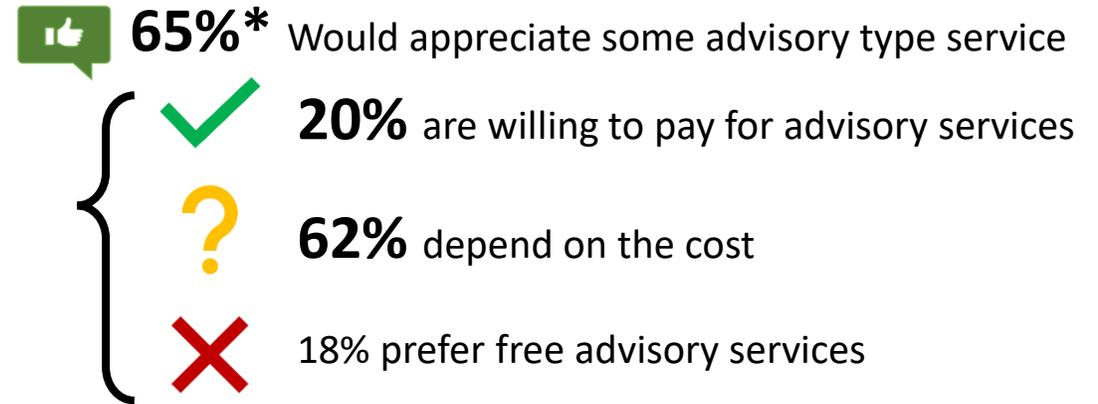
- Aird & Berlis legal advice
- Other options considered
  - Program delivery directly by the Town
  - Special purpose corporation
- MSC is the preferred option
  - Liabilities contained to NEWCo
  - NewCo's debt is not consolidated with Town
  - Income tax benefit if Town ownership =>90%

# 4c) Homeowner Survey Highlights

Q: Are you considering a home renovation?

	Total		
	41%	23%	55%
	59%	77%	45%

Q: Would you be willing to get advisory services?



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

 83% YES

 17% NO

N=240

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

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Design elements in consideration:



Contractor  
Selection



Home Energy  
Concierge Service



Financing  
& Non Financing Market



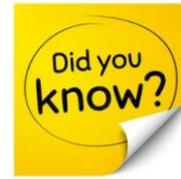
Communication

# 4d) Program Updates

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## 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

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MSC  
Approach



Contractor  
Selections



Measure  
Selections



Cost  
Reduction



Program  
Integration

**Aligns with CEF program refresh innovation objectives**

# 4e) NEWCO – Innovation

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## MSC Approach

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



# 4e) NEWCO – Innovation

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## 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

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## 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

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