

**Environment and Sustainability Standing Committee
September 5, 2013**

TO: Chair and Members of Environment & Sustainability Standing Committee

SUBMITTED BY: Original Signed
Jane Fraser, Planning and Infrastructure

DATE: August 5, 2013

SUBJECT: Solar City Pilot Program Update No. 2

INFORMATION REPORT

ORIGIN

December 11, 2012, Award and Initiation of Solar City Program, Regional Council Motion
May 2, 2013, Information Report: Solar City Pilot Program Update No.1, Environment and
Sustainability Standing Committee.

BACKGROUND

On December 11, 2012, Regional Council approved the launch of the Solar City Program, a program to encourage residents to adopt solar hot water technology that could be financed through a process similar to a Local Improvement Charge (LIC). This was the first program of its kind in Canada. Since then, Toronto recently launched a \$20 million pilot and several other municipalities in Canada are close to launching programs to support either efficiency or renewables for residents.

Solar City is being implemented as a pilot program to assess the viability of the program before making any long term commitments. Regional Council and the Environment and Sustainability Committee have asked for periodic updates on the progress of the pilot program goals.

This is the 2nd update. As articulated in the December 11, 2012, report:

Goals of Solar City Pilot Program: *Goals and objectives of the pilot would be to answer the following questions:*

- *Is the program financially self-sustaining, without impacting the non-participating HRM taxpayer?*
- *Are residents participating in sufficient numbers to justify?*
- *Is the program cost effective for homeowners?*
- *Are installations of high enough quality and quantity?*
- *Is the program simple enough to administrate effectively in HRM?*
- *Are there any risks to the municipality or homeowners that cannot be addressed thru contractual or program processes?*

DISCUSSION

Update No. 2

The Solar City Program was launched, to the public, at the beginning of March 2013. Update No. 1 focused primarily on the administrative milestones achieved after Council approval and the program deployment milestones in the first two months. Overall, the program has been moving into active deployment mode with success.

Program Deployment Milestones:

There are a variety of metrics to gauge the level of interest and deployment of solar through the Solar City program. Generally, the level of activity is ramping up as predicted. Thermo Dynamics Limited and Scotia Renewables have been expanding capacity and have significantly increased workflow in the last two months. Installations have gone from 15 per month to almost 30 per month. Assessments have gone from 50 per month to over 150 per month. It is expected the program will continue to ramp up until late this year, where the target is to have 50 installations a month completed.

March 1-August 5, 2013 - the following deployment milestones were achieved:

- 424 homes had free site assessments completed;
- \$54,000 and 30 million litres of water per year are being saved by the homeowners who have received free water conservation devices during their site assessment;
- 361 customized feasibility reports were sent out to homeowners;
- 27 home owners were screened out of the program due to poor economics or structural issues;
- 90 homeowners have signed agreements;
- 61 installations have been completed;
- 60% of homeowners have adopted the optional monitoring system;
- 92% of homeowners have elected to participate in the program with financing;
- The average annual savings (2013 costs) per home is \$413/yr., and the average Return-On-Investment (ROI) for homeowners is 9%. This is higher than the original estimate of \$331/home;
- 25% of homes are displacing oil and 75% of homes are displacing electricity energy; and
- 153,287 kg of annual CO² emission reductions are associated with the program so far.

New Administrative Milestones:

- Completion of the first 61 homes and issuing of 4 months of billings under the Solar City LIC By-Law; and
- Billing and collection of \$58,750 of grants from Efficiency NS that were applied to the overall costs to the first 47 homeowners.

Almost all the key administrative processes and milestones have been completed during the initial ramp up phase. The execution of the Federation of Canadian Municipalities Green Municipal Fund agreement for a \$5.455M low interest loan and a \$545,000 grant is the only significant administrative milestone still to be completed. The program is being financed in the

interim with a Temporary Borrowing Resolution (as passed by Council on February 19, 2013). The overall program is currently on track and within budget forecasts.

Public Communication Milestones:

With over 1,600+ participants registered in the pilot, a key element of the success of the Solar City Program will be how well information is shared with the public and how well public expectations are managed (especially during the ramp up phase). A high degree of emphasis on communication and public engagement has been put in place during the roll out of the pilot program.

A variety of tools have been used to effectively communicate with the public and stakeholders including through open houses, email (solarcity@halifax.ca), the website (www.halifax.ca/solarcity), solar city office telephone (902-240-8208) and information bulletins. Some of the communications highlights since the last update include:

- Hosted 2 Open Houses for registered participants with over 80+ people in attendance (St. Margaret's Centre – *May 14*; Sackville Heights Community Centre – *July 17*). Almost 500 people have attended the first 6 Open Houses. The next open house is scheduled for September 25 at 6 p.m. at Alderney Library.
- Distribution of the 4th information bulletin to residents (*July 2013*).
- Ongoing revisions Solar City website to communicate to residents with over 10,000 hits since January 2012. www.halifax.ca/solarcity
- A ribbon cutting ceremony was held on April 23, 2013, to celebrate the first home completed in the program with Mayor Savage and the Provincial Minister of Energy, the Honorable Charlie Parker.

FINANCIAL IMPLICATIONS

There are no impacts to the 2013/2014 Operating or Project Budgets from this report.

COMMUNITY ENGAGEMENT

There has been extensive community engagement as discussed in the Discussion Section of this report.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Julian Boyle, P.Eng, Energy Manager, Planning and Infrastructure (902-476-8075)

Original Signed

Report Approved by: Richard MacLellan, Manager, Energy and Environment Office, 490-6056
