

## Ontario 'green bank' doesn't have a name yet

September 30, 2016

QP Briefing

By:Geoff Zochodne

It has been about four months since Ontario officially announced it would create a "green bank" that will finance energy-efficient and climate-friendly upgrades to buildings.

But the government hasn't opened the bank for business - or even settled on a name yet, according to one of Ontario's top climate change officials. And once it does get a moniker, it will still have to tap outside expertise to aid in its mission of helping households pay for low-carbon retrofits to their homes, such as geothermal heating systems or somewhere to charge the family's electric car.

The bank is part of the province's five-year, \$8.3-billion climate change action plan, which was unveiled in June and will be funded by Ontario's coming cap-and-trade system. The carbon-pricing scheme and the wide range of programs it will purportedly pay for are the backbone of the government's vow to cut GHG emissions 15 per cent below 1990 levels by 2020.

The green bank will mainly target buildings, which are Ontario's third-largest source of emissions. It is based on similar institutions in Vermont and New York - Efficiency Vermont and the New York Green Bank - but not many specifics are known about Ontario's version.

"Ontario intends to establish a green bank to deploy and finance readily available low-carbon energy technologies to reduce carbon pollution from Ontario buildings," says the climate change action plan. "The green bank will help source the most cost-effective low-carbon technologies to reduce emissions in homes and businesses."

Alex Wood, executive director of the Ontario government's climate change directorate, discussed the bank earlier this week at the Ontario Energy Association's annual conference in Toronto. Wood said there are aspects of the bank's operations that the government's bureaucrats may not have the know-how or resources to carry out, particularly when it comes to financing projects.

"I would say also that right now, we're very focused on the green bank as an entity, as an institution, with a view really to saying at some point we hand this off to an entity that will exist probably outside of government, and leave it to them essentially to get into the business of designing those programs, dotting every 'i' and crossing every 't' in terms of program design," Wood said.

There is no formal name for the bank yet (QP Briefing suggests CIBGHG or BMO2), Wood noted, but its mission is clear.

"The key purpose of the green bank will be to help homeowners and business access and finance energy-efficiency technologies with a particular focus on buildings," said Wood, adding that "some of the conceptual work has been done."

A Ministry of the Environment and Climate Change spokesperson said in a statement that "the specific delivery model for the [green bank], including the name, will be finalized in consultation with relevant stakeholders in the coming months with the goal of beginning to provide services in 2017."

Next comes more strategizing and consultation, Wood said. He told his audience that decision-makers are asking that the bank be "very focused on the consumer," helping them learn about and access the government's slate of energy-efficiency programs.

"But then going above and beyond that to talk about new programs that will be developed through the green bank to look at potential fuel-switching technologies in the building sector," Wood said, likening the early efforts of the green bank to that of a "concierge service."

The bank will also help with retrofitting large industrial and commercial buildings, but that would be done through more "bespoke" programs, said Wood. The action plan pledged up to \$1.1 billion for programs that will boost companies' use of low-carbon technology, which will be administered by the green bank starting in 2018.

Approximately 76 per cent of Ontario's buildings use natural gas furnaces, but the climate change action plan wants to get people to reduce their reliance on fossil fuels. The plan promises rebates for people who build or buy "near net-zero carbon emission homes" - which would almost certainly involve using electric sources of heat. The building code will also be updated to encourage or require more of those net-zero emission homes to be built.

California's secretary of environmental protection, Matt Rodriguez, said Thursday that his state's energy efficiency programs are a "hallmark" of its climate efforts. He was speaking on a cap-and-trade forum with Ontario Environment Minister Glen Murray, who warned that governments may have to "move faster" to meet their climate goals.

To contact the reporter on this story:

[gzochodne@qpbriefing.com](mailto:gzochodne@qpbriefing.com)

416-212-5913

Twitter: @geoffzochodne