## Green Ontario Fund – Media Q and As

**Key Messages**

- No matter where you live or work in Ontario, saving money and fighting climate change can be as easy as changing a light bulb, switching your thermostat or making other home improvements that cut your energy bills.
- To help people across Ontario save money and fight climate change, the province has launched the Green Ontario Fund, a one-stop shop offering programs and rebates to reduce energy costs in homes or businesses.
- Programs and rebates are funded through the proceeds from Ontario's cap on pollution and carbon market.
- This includes the new GreenON Installations program, offering smart thermostats at no cost to interested and eligible households
- The Green Ontario Fund is part of Ontario's goal of reducing greenhouse gas pollution in buildings to help meet our emission reduction targets—critical to the worldwide effort to fight climate change.
- The new agency will complement Ontario's suite of existing conservation and energy efficiency programs, offering consumers greater choice and convenient access to all programs.
- Visit GreenON.ca to find out how small – or big – changes in your home can help save money while reducing greenhouse gas pollution.

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### General

**1. What is the Green Ontario Fund?**

The Green Ontario Fund is a non-profit provincial agency funded through proceeds from Ontario's carbon market.

The agency provides programs and rebates to help homeowners and businesses save money and fight climate change.

The Green Ontario Fund is part of Ontario's goal of reducing greenhouse gas pollution in buildings to help meet our emission reduction targets—critical to the worldwide effort to fight climate change.

**2. Why does Ontario need a government agency to do this job?**

Without a single coordinating agency, it can be difficult for consumers to find information about existing and new programs to help them reduce their energy use and greenhouse gas emissions.

The Green Ontario Fund will ensure a more coordinated and efficient approach to deploying low-carbon technologies to Ontario households, businesses and industry. It will complement Ontario's suite of existing conservation and energy efficiency programs, offering consumers greater choice and convenient access to all programs.

**3. How will the Green Ontario Fund impact Ontario's economy and environment?**

The Green Ontario Fund's activities are expected to strengthen the environment and economy by:

- Stimulating innovation: Establishing an entity that will be funded long-term through the province's carbon market to increase the use of low-carbon technologies will send a strong signal that demand for such technologies will be sustained over the long-term in the province. The agency will also pro-actively identify and overcome key barriers to the rapid deployment of low carbon technologies.
- Creating jobs: Successful deployment of technologies requires auditors, suppliers and well-trained installers. From 2012-15, Connecticut's Green Bank reports that it created 1,700 direct jobs and 3,000 indirect jobs.
- Providing companies with a competitive advantage: By supporting the deployment of low-carbon technologies and construction of low-carbon buildings, the Green Ontario Fund will encourage the growth of expertise, workforce and supply chains. This will give Ontario a competitive advantage with respect to products and services needed for the global transition to a low-carbon economy.

The organization will help consumers and businesses identify low-carbon technologies to manage energy costs and reduce greenhouse gas emissions, and make it more affordable to adopt them.

**4. What is the Green Ontario Fund's budget?**

The Green Ontario Fund is funded by proceeds from Ontario's carbon market which by law must be directed to initiatives that reduce or support the reduction of greenhouse gases.

This year, the province is investing $377 million from the carbon market in the Green Ontario Fund.

5. **Where does the funding come from?**

The Green Ontario Fund is funded by proceeds from Ontario's carbon market which by law must be directed to initiatives that reduce or support the reduction of greenhouse gases.

Ontario's cap and trade program is a market-based system that sets a hard cap on greenhouse gas emissions while giving flexibility to businesses and industry in terms of how they meet their caps.

By putting a price on carbon, the cap and trade program encourages companies and consumers to make choices that are better for the environment. It also gives polluters an incentive to cut emissions – if you pollute less, you pay less.

6. **How much did the website cost?**

Green Ontario Fund is required by law to maintain a website that has information about its programs and other similar programs available in Ontario.  As of the end of July, approximately $550,000 has been spent to develop the online program directory and online registration for the GreenON Installations program.

7. **Why does the agency focus mostly on buildings?**

Emissions from energy use in buildings contribute almost a quarter of the greenhouse gas pollution that causes climate change in Ontario – it is the third largest source of emissions in Ontario Giving Ontarians more incentives and tools to make the right energy choice for their homes and businesses is one of the main goals in Ontario's Climate Change Action Plan.

The agency is also focused on reducing emissions from industrial processes. Emissions from industry are the second largest source of emissions in Ontario next to transportation. New programs to help industry cut emissions will be introduced in the coming months.

For more details about climate change in Ontario, please visit Ontario.ca/climatechange.

8. **How many staff will work at the agency?**

The board of directors is currently determining the resources required to effectively and efficiently deliver the agency's mandate.

**9. Isn't this agency doing the same work as the Independent Electricity System Operator (IESO)?**

IESO's conservation efforts are focused on reducing electricity use and promoting coordination between electricity and natural gas conservation programs. The Green Ontario Fund's mandate is to invest carbon market proceeds to deploy technologies that reduce greenhouse gas emissions from buildings and the production of goods.

IESO and the Green Ontario Fund are working together to ensure that new programs complement and build on existing programs, and to provide consumers with one-window access to these programs and others.

**10. Do other jurisdictions use this type of agency?**

Similar models have been used in jurisdictions around the world, including in the United Kingdom and states like New York, Vermont and Connecticut.

For example, between 2000 and 2014, Efficiency Vermont, the first statewide energy efficiency service provider in the United States, helped customers save $1.6 billion on electric, heating, and water costs over the lifetime of the installed efficiency measures.

The Green Bank in Connecticut was designed to shift the state's clean energy market from government-based incentives to private-sector financing. Initially, the entity invested 80 per cent of resources on grant, rebates and subsidies to build a clean energy market in the state. Later, the Green Bank transformed into a new entity that invests over 80 per cent of its resources in loans, leases and credit enhancements to attract private capital investment to grow the clean energy market.

**11. Will the Green Ontario Fund have the expertise to address the unique challenges of Indigenous communities?**

The Green Ontario Fund will engage with Indigenous communities as it develops its business plan and programming to ensure their unique challenges are being addressed.

Ontario also continues to seek representation from Indigenous partners on the agency's board of directors.

**12. Who did you consult in creating this new agency? Do environmental organizations, municipalities, Indigenous communities and others support this new entity?**

From October 12-14, 2016, the Ministry held targeted consultations on the Green Ontario Fund's potential functions and objectives. Consultations were held with technology firms, utilities, governments, builders, building owners, large and medium sized emitters, lenders, experts, suppliers, distributors, and installers of targeted technologies, and professional organizations.

Ontario subsequently posted the draft regulation to establish Green Ontario Fund on the environmental and regulatory registries for a 46-day consultation period, and received 40 submissions. In general, respondents were supportive of the agency's establishment and objectives.

**<u>Green Ontario Fund Programs - General</u>**

**13. What programs are you offering for homeowners and businesses right now?**

The Green Ontario Fund is a one-stop shop for programs and rebates to help homeowners and businesses across the province cut back energy costs while reducing greenhouse gas emissions.

Current programs include:

- A new no-charge installation service that provides homeowners with a complimentary smart thermostat and home energy review that will suggest other personalized energy-saving measures and incentives.
- Offers and rebates are also available through successful energy-saving initiatives from partners such as Save on Energy and local electricity distributors, Enbridge, Union Gas, including, for example, the Ontario Home Energy Conservation Incentive Program, New Home Construction Program and Union Gas's Home Weatherization Program.

**14. This year, the province is investing $377 million from the carbon market in the Green Ontario Fund. However, it seems like you are offering mainly existing programs and just one program for smart thermostats. Where are the other new programs that can help homes and businesses save on energy costs and reduce greenhouse gas emissions?**

The Green Ontario Fund will soon be announcing a range of additional programs for residents, businesses and industry. Check GreenON.ca regularly for updates.

**15. How do home energy upgrades help fight climate change?**

Buildings, including homes, condos, apartment buildings, office buildings and factories, make up a quarter of Ontario's greenhouse gas emissions. When combined together, home energy upgrades can make a big difference in terms of reducing greenhouse gas emissions.

For example, Ontario's two largest natural gas utilities have been delivering natural gas conservation programs for over 20 years. Since the programs started to the end of 2014, their residential energy efficiency programs reduced 500,000 tonnes of greenhouse gas emissions - which is equivalent to taking more than 100,000 cars off the road for a year.

Home energy efficiency retrofits also save consumers money on their energy bills. Historically, every dollar invested in natural gas efficiency has resulted in up to $4 in savings for natural gas consumers. Through the Green Investment Fund, t~~T~~he home energy audit and retrofit programs delivered by the natural gas utilities~~,~~ have been expanded to become province-wide multi-fuels programs, including homes heated with natural gas, oil, propane, wood and electricity. Homeowners who heat their homes with electricity~~, for example,~~ can also now participate through funding from Save on Energy.

**16. Will there be any programs that will help address the unique challenges faced by Indigenous and northern communities in Ontario?**

Yes. The Green Ontario Fund will offer programs, including a wood stove exchange program, to support Indigenous and remote communities in shifting to cleaner energy choices.

**17. Have Indigenous communities been consulted?**

Ontario's Climate Change Action Plan, released in ~~last~~ June 2016, highlights the importance of ongoing collaboration with Indigenous communities, and proposes actions based on what we heard from First Nation representatives at engagement sessions.

The Green Ontario Fund will also work with our Indigenous partners to ensure that programming is designed and implemented in a manner that works for Indigenous and remote communities. The Green Ontario Fund will continue to design and roll-out these programs in the coming months.

**18. How will the Green Ontario Fund be measuring whether its programs are performing well and providing best value for money?**

The Green Ontario Fund will be collecting data, tracking greenhouse gas emission reductions and uptake, and analyzing performance measures to assess whether the programs are performing well and to ensure continual improvements.

**GreenON Installations Program**

**19. How does this program work?**

Eligible homeowners and renters with landlord's permission will be able to sign up for a visit from a trained Green Ontario Fund technician to install, free of charge, complimentary smart thermostats and show them how to use it.

Based on information collected from the homeowner, the home's energy systems are analyzed by a team of specialists who offer a personalized follow-up on other available incentive programs to help reduce energy costs.

**20. When will the GreenON Installations program service be available?**

Homeowners can sign up starting August 30. Green Ontario Fund technicians, who are third-party vendors contracted to the Green Ontario Fund, will begin visiting homes to install thermostats in fall 2017.

**21. Are all homeowners eligible to participate in the GreenON Installations program?**

If you are a homeowner or renter living in single-detached, semi-detached, townhome or row house you are eligible to take part in the program. If you rent a single-detached, semi-detached, town or row home, you must get approval from your landlord before taking part in the program.

**22. Can condo owners or tenants take advantage of this program?**

GreenON Installations offers a home energy systems review that will identify other energy saving opportunities for homes, that may not be possible for individual units in condominium buildings due to how energy systems are built. Targeted programs, including smart thermostats, to help people living in condos and apartment buildings save money on energy costs will be coming shortly. Please check GreenON.ca regularly for new programs and rebates.

**Comment [YDT1]:** What if the condominium is a town home (please see Q 24)?

**Comment [YDT2]:** This statement needs to be fact checked by the IESO against the planned province-wide smart thermostat (retailer) program.

**23. Which regions are eligible for this program?**

All regions of the province are eligible for this program.

**24. Can co-op buildings or tenants in social housing use this program?**

If you are a homeowner or renter living in single-detached, semi-detached, townhome or row home you are eligible to take part in the program. Residents living in multi-residential buildings are not eligible to take part in the GreenON Installations program.

**Comment [YDT3]:** What if the town home is a condominium?

**25. Can Indigenous individuals and families use this program?**

If you are a homeowner or renter living in single-detached, semi-detached, townhome or row home you are eligible to take part in the program. Residents living in multi-residential buildings are not eligible to take part in the GreenON Installations program.

**Comment [SK(4]:** A more explicit response would be helpful.

**26. Can people with geothermal use smart thermostats?**
Some heat pump systems are compatible with some smart thermostats but not all. The homeowner would be able to seek advice, through GreenON Support to determine if their geothermal would be compatible.

**Comment [YDT5]:** It would be valuable to clarify whether the installers would be providing free installations of such thermostats

**27. Can a landlord request two smart thermostats if they have two tenants that could have them installed?**

The GreenON Installation program is limited to one smart thermostat per household.

**28. Why is the Green Ontario Fund offering smart thermostats?**

Smart thermostats can help residents both reduce their carbon footprint and save up to 15% on their energy bill. They are connected to the Internet and allow residents to adjust the settings remotely from a smartphone. Smart thermostats can also learn a resident's schedule and temperature preferences and automatically adjust the temperature to save money and energy.

In addition, smart thermostats help educate individuals on their energy usage, and are an important first step to creating smart, low carbon homes. The customized report that GreenON will offer in addition to the smart thermostat will provide further options to enable people to save more money and further reduce their carbon footprint. `

**29. Does the use of smart thermostats require wifi?**

The smart thermostat can work without wifi – but the homeowner will not be able to access all the reporting or application features.

**30. How many smart thermostats are you giving away?**

The Green Ontario Fund is initially targeting to install 30,000 smart thermostats, beginning in September 2017 in select regions across the province. Then another 70,000 thermostat installations in 2018.

**31. How much will this program cost the government and taxpayers?**

This program is being funded by proceeds from Ontario's carbon market. Costs will depend on participation rates in the program and responses to procurement competitions for delivery.

By law, the agency is required to publicly issue financial statements that will detail the final costs of all programs.

**32. Why are you giving away free stuff?**

These investments will be paid for by the proceeds from Ontario's carbon market, which must by law be spent on initiatives that reduce greenhouse gas emissions.

The program is a first step program to get people engaged with reducing greenhouse gas pollution and saving energy. The home energy review will help people understand their options and encourage them to take action to reduce their carbon footprint.

Thermostats require careful disposal. This program ensures all thermostats, including those containing mercury, are carefully disposed of.

This program is low-barrier and easy-to-access for people with accessibility needs and the elderly.

**33. Are the trucks at the launch event the actual trucks used in the program?**

No. The trucks are for demonstration purposes only. The vehicles used by installers will be determined when service providers are retained for program implementation.

**34. Where are the uniforms from?**

The Green Ontario Fund has sourced Canadian-made and eco-friendly uniforms and accessories.

**35. Will the program reduce enough greenhouse gas emissions to justify its cost?**

The program is estimated to reduce 77,000 tonnes of $CO_2e$ annually based on the installation of 100,000 thermostats.

**Comment [YDT6]:** This number was previously 26,000 tonnes

Q. 38 below indicates 260 kg which would be 26,000

IESO estimate is 0.3 tonnes per year per home which equals ~30,000 tonnes annually.

Source: April 26, 2017 IESO presentation, Plan for Proposed New Province-Wide Smart Thermostat Program

**36. How do you know this technology actually works?**

Smart thermostats are devices that can control a home's heating and/or air conditioning. They are connected to the Internet and allow residents to adjust the settings remotely from a smartphone. Smart thermostats can also learn a resident's schedule (when they are home and away) and temperature preferences and automatically adjust the temperature, ensuring both energy savings and comfort. This technology is currently being incentivized through the Save on Energy and gas utility conservation programs, and used by similar programs in U.S. jurisdictions, including Energy Star in Washington DC.

**Comment [YDT7]:** To align with Call Centre QAs

**37. Who will perform the installations and home energy reviews?**

Installations and home energy reviews will be performed by trained representatives contracted by the Green Ontario Fund.

**38. How many greenhouse gas emissions will the average homeowner reduce through this program?**

The installation of a smart thermostat contributes to an average of 260 kilograms of greenhouse gas emission reductions per household per year. Emissions reductions will depend on a household's heating source.

**39. How much money will this program save the average homeowner?**

The installation of smart thermostat can contribute to approximate cost savings of $75 per year for a natural gas heated home.

**40. Isn't the home energy ~~audit~~ review a duplication of an existing program?**

There is currently no energy efficiency program that provides a directly-installed smart thermostat at the customer's premise and a review of a home's energy system to determine the potential for saving energy and reducing greenhouse gas emissions.

In order to participate in Enbridge or Union Gas's programs, an eligible homeowner must undertake a home energy audit before and after they conduct home energy improvements.

**41. If a homeowner receives their Home Energy Review as a component of the Smart Thermostat Direct Install program, does this meet the pre-renovation energy assessment requirement for the Home Reno Rebate/ Home Energy Conservation/OHECIP program?**

No, the pre-renovation energy assessment for the Home Reno Rebate/ Home Energy Conservation/OHECIP program is a more comprehensive assessment performed by a certified energy assessor. The home energy review does not qualify as the pre-renovation energy assessment required in the program. Please contact a participating certified energy assessor before beginning your renovation at ohecip.ca.

**42. Does a homeowner need to participate in the Home Reno Rebate program to be eligible for the Smart Thermostat Direct Install program?**

No, the homeowner does not need to participate in Home Reno Rebate to be eligible for the Smart Thermostat Direct Install program, however they do in order to qualify for the Union Gas $100 Smart Thermostat rebate.

**Comment [Emma8]:** Questions developed by natural gas utilities and IESO

**~~41.~~43. What action will you take if not enough people take advantage of this program?**

The Green Ontario Fund will monitor the progress of program implementation and will determine what actions, if any, may be required.

**~~42.~~44. What's wrong with my programmable smart thermostats? Doesn't it do the same thing?**

Smart thermostats are connected to the internet and allow residents to adjust the settings remotely from a smartphone. Smart thermostats can also learn a resident's schedule and temperature preferences and automatically adjust the temperature to save money and energy. Programmable thermostats cannot do this.

**~~43.~~45. Is the government collecting data from the smart thermostats or controlling my thermostat?**

No. The government is not collecting information from or controlling your smart thermostat. Please contact the smart thermostat company of your choice to understand their privacy policy.

**~~44.~~46. What is the difference between a manual, programmable and smart thermostat?**

A manual thermostat allows the homeowner to set one setting and then manually adjust.

A programmable thermostat allows the homeowner to pre-program a defined schedule for your heating or air conditioning system.

A smart thermostat can be~~is~~ connected to the internet through the wifi, and learns a homeowners patterns to adjust the temperature setting to optimize energy savings and comfort.  Homeowners will be able to remotely change the temperature from their smart phone.

**Comment [YDT9]:** Not necessary. See Q29

**~~45.~~47. Since there are fraudulent people claiming to be with GreenON Installations, how will I know when a legitimate/official GreenON representative calls me?**

Calls from GreenON Installations to schedule appointments will begin in late September/early October. Any calls you receive about the program until then are fraudulent.

GreenON Installations program representatives will only visit your home when an appointment has been made. They will be in uniform and will not ask for money or your financial information.

**Other Programs**

**~~46.~~48. What other programs are available now through the Green Ontario Fund?**

Homeowners and businesses can access a wide range of existing programs and rebates offered through Save on Energy and local electricity distributors, Enbridge Gas Distribution, Union Gas and municipalities.  Examples include the Ontario Home Energy Conservation Incentive Program, Save on Energy New Home Construction Program and Union Gas' Home Weatherization Program.

The home energy review will help determine the most efficient and effective ways homeowners can save money and reduce greenhouse gas emissions.

The Green Ontario Fund is also working on a range of additional programs. Check back regularly for updates.

~~47.~~49. **Don't Green Ontario Fund and Save On Energy offer the same programs?**

Save on Energy is focused on reducing electricity use and encouraging coordination between electricity and natural gas conservation programs, while the Green Ontario Fund is focused on GHG savings from various fuel types.

The Green Ontario Fund is working to ensure that its programs complement existing programs and provides more options to consumers.

~~48.~~50. **What programs do you have available for renters?**

The GreenON Installations program will be available to renters of semi-detached, detached, town or row homes who have approval from their landlord.

~~49.~~51. **How will your programs help condo owners?**

**Comment [YDT10]:** Same comment as previously. Should clarify condo in multi-res building versus town home condo

We invite condo owners to check the website regularly for new programs and updates, and check out the "Tips and Tools" section of GreenON.ca.

~~50.~~52. **Where are the Indigenous and low-income programs?**

As part of the 2017 Budget, the province is investing $377 million from cap and trade auction proceeds in the Green Ontario Fund to make it easier for businesses and households, including income-tested households and Indigenous communities, to adopt proven low-carbon technologies. More programs for residents, businesses and industry will be announced in the coming months

Information on existing energy efficiency programs for Indigenous communities and the low income sector is also available through GreenON.ca.

Over the next few years, the Green Ontario Fund will deliver programs and services outlined in Ontario's Climate Change Action Plan, including:

- Up to $1.2 billion to help industries adopt low-carbon technologies
- Up to $1.2 billion to reduce greenhouse gas emissions in buildings, including:
  - Up to $604 million to help homeowners, purchase and install low-carbon technologies that reduce reliance on fossil fuels

**~~51.~~53. Why aren't more Green Ontario Fund programs ready for the public to access?**

As part of the 2017 Budget, the province is investing $377 million from cap and trade auction proceeds in the Green Ontario Fund to make it easier for businesses and households, including income-tested households and Indigenous communities, to adopt proven low-carbon technologies. More programs for residents, businesses and industry will be announced in the coming months

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    - Up to $604 million to help homeowners, purchase and install low-carbon technologies that reduce reliance on fossil fuels

**Board of Directors and CEO**

**~~52.~~54. How will the Board be recruiting for a permanent CEO?**

In order to ensure Green Ontario Fund is able to attract the necessary skills and expertise to deliver high quality public services, the Board is working with an executive search-firm to assist with the recruitment process for a long-term CEO. The position will be publicly advertised, including posting in public job search forums.

**~~53.~~55. How long will the recruitment process take?**

The search for a CEO is currently underway – the job posting can be found on sites such as LinkedIN and other executive search firms. The posting will also be in print media, on August 28, 2017~~.~~ The board expects to have the hiring process complete for the permanent CEO later this fall.

**~~54.~~56. How much money are you paying your CEO?**

Remuneration for the CEO must align with the standards set out in the rules for executive compensation.

Remuneration will also be set at a level that ensures the entity is able to attract the necessary skills and expertise to deliver high quality public services.

The new board of directors will be responsible for recruitment of the agency's CEO.

**~~55.~~57. Why don't you have a CEO?**

Green Ontario Fund is actively recruiting a CEO. In the interim, some members of the agency's board of directors and ministry staff are providing support for agency operations.

**~~56.~~58. How many people are on the board of directors?**

There are eight people on the board, including the Chair, Parminder Sandhu. Biographies for all of the board members can be found at GreenON.ca.

**~~57.~~59. How much are you paying the board of directors?**

Remuneration rates for board members are $500 per diem for the Chair, $250 per diem for the vice-chair and $200 per diem for all other board members.

**~~58.~~60. Why are you paying them so much money?**

Remuneration rates for the CEO and board members are consistent with the rates used by a similar government agency, specifically the Ontario Financing Authority, and set at a level that ensures the entity is able to attract the necessary skills and expertise to deliver high quality public services.

**~~59.~~61. How much of the cap and trade proceeds are going to programs for homeowners and businesses and how much is going to pay salaries of executives?**

At least 90 per cent of the funds maintained by the Green Ontario Fund will be used for programming. The remaining 10 per cent are reserved for agency operations including employee salaries, outreach and promotion, monitoring program delivery performance, auditing and reporting of activities, contract management, and general administration.

**~~60.~~62. How was the Board of Directors selected?**

Appointments are made by the Lieutenant Governor in Council and follow the Public Appointments Secretariat process.

All positions for the Green Ontario Fund Board of Directors, including Chair and Vice-Chair, were advertised on the Public Appointments Secretariat website. The province also notified interested parties through an advertisement on LinkedIN, and in its e-mail to stakeholders regarding the filing of Ontario Regulation 46/17 (Ontario Climate Change Solutions Deployment Corporation).

A panel involving senior policy and program executives from MOECC and the Ministry of Economic Development and Growth interviewed a short listed group of applicants.

Candidates were assess on the applicability and depth of their experiences, particularly relevant were the prioritized skills outlined in Ontario Regulation 46/17.

**~~61.~~63. Who is the Chair of the Green Ontario Fund's Board of Directors? Why was he selected?**

Parminder Sandhu is the Chair of the Green Ontario Fund's Board of Directors. Mr. Sandhu's broad experiences with consumer-focused energy efficiency programming, leadership in running organizations, general relatability to the clients of Green Ontario Fund and over 20 years' experience in the energy efficiency marketplace, made Mr. Sandhu the top candidate for the position of Chair.

**~~62.~~64. Does the board of directors include representatives from Indigenous communities?**

Ontario continues to seek representation from Indigenous stakeholders on the agency's board of directors.

**Green Investment Fund Programs**

**~~63.~~65. How many emissions were you able to save through the Green Investment Fund retrofit programs?**

Ontario invested $100 million province-wide to help more than 37,000 homeowners identify energy-saving opportunities and then complete retrofits. This will help homeowners reduce costs and approximately 1.6 million tonnes of cumulative greenhouse gas emissions in Ontario.

Ontario has also committed $92 million from its carbon market to support retrofits for more than 19,000 units in social housing homes and high-rise apartment buildings across Ontario.

We will use the energy audits and follow-up energy use data to help measure the real impacts of the retrofits, and calculate greenhouse gas reductions.

**~~64.~~66. How much money were homeowners able to save through recent retrofit programs funded by the cap and trade**

Ontario invested $100 million province-wide to help approximately 37,000 homeowners identify energy-saving opportunities through a home energy audit and complete retrofits.

- Some of the retrofits include replacing furnaces and upgrading insulation for homeowners who use natural gas, oil, propane or wood for primary heating. This program was expanded in May 2017 to include electricity measures through the IESO's Whole Home pilot program.
- Energy retrofits are saving natural gas consumers $1.50 to $4 for every dollar invested.

Ontario has also committed $92 million from its carbon market to support retrofits for more than 19,000 units in social housing homes and high-rise apartment buildings across Ontario.

Two low-to-middle income townhouse complexes in North Bay received social housing retrofits as a result of this program and reported an estimated savings for 90 families of about $700 per year on their electricity bills.

**IESO Amending Direction**

~~65.~~67. **What is the Minister of Energy's August amending direction to the IESO about? What is IESO's relationship with the Green Ontario Fund?**

The direction provides general authority for the Independent Electricity System Operator to work with the Ministry of the Environment and Climate Change and the Green Ontario Fund to help develop, design and deliver a range of potential Green Ontario Fund program types focused on reducing greenhouse gas emissions from Ontario residents and businesses.

The IESO (former Ontario Power Authority) has been delivering conservation programs in the province since 2005. Leveraging IESO expertise and resources in Green Ontario Fund program delivery is promoting efficiencies and a coordinated, one-window approach for customers.

We will announce details on specific programs in the coming months.

**General Climate Change**

~~66.~~68. **Why should I take action against Climate Change?**

Taking action now to reduce greenhouse gas (GHG) emissions will mean cleaner air, less time spent in traffic, more comfortable homes and offices, and more convenient, livable cities.

**Cap and Trade**

~~67.~~69. **What is cap and trade?**

Ontario's cap and trade program is a market-based system that sets a hard cap on greenhouse gas emissions while giving flexibility to businesses in terms of how they meet their compliance obligations — it is the right solution for Ontario's fight against climate change.

A cap and trade program reduces the amount of greenhouse gas pollution going into our atmosphere by setting a limit, or cap, on the amount of greenhouse gases that can be released.

The cap drops each year to lower emissions.

*Supplementary information*

Large emitters must have enough permits (technically known as allowances) and credits to cover their emissions. If they do not, they can purchase additional permits. To that end, the system creates a market for pollution permits and credits.

Companies whose emissions exceed the number of allowances and credits on hand can buy additional allowances through government auctions or from another person who has surplus allowances or credits. This ensures the overall cap is maintained. Emitters have an incentive to find new ways to reduce greenhouse gas pollution whether they are buying or selling permits.

The system rewards innovative companies, provides more certainty for industries, and creates more opportunities for investment.

To fight climate change, Ontario is investing proceeds from its carbon market into programs that help households and businesses reduce greenhouse gas emissions and save money on energy costs, including home retrofits that let homeowners save money and conserve energy and incentives towards the purchase of an electric vehicle.

**~~68.~~70. Why did Ontario choose cap and trade instead of a carbon tax?**

Expert economic modelling confirms that a linked cap and trade program — in partnership with Québec and California — is the lowest-cost option for Ontario to achieve its reduction targets.

Cap and trade also strengthens the economy, promotes competition and spurs innovation.

**~~69.~~71. How does cap and trade guarantee reductions?**

Cap and trade guarantees reductions to pollution by setting a limit, or cap, on the volume of GHG that can be released. The cap drops each year. Emitters must either reduce their emissions or buy allowances from a carbon market.

This gives Ontario's businesses choice, and promotes innovation. And it achieves GHG emission reductions at the lowest price.

**~~70.~~72. Will Ontario consumers face increased electricity costs as a result of cap and trade?**

The electricity we consume every day is already largely carbon-free thanks in part to early action to close coal-fired power generation plants.

The elimination of coal-fired generation represents a 30 Mt reduction in greenhouse gas emissions since 2003. Ontario's electricity sector is now over 90% emissions free. As a result of these efforts, Ontario's electricity system is in a strong position as we continue to implement the province's cap and trade program.

Ontario's Fair Hydro Plan is lowering electricity bills by 25 per cent on average for residential consumers and will hold increases to the rate of inflation for four years. As many as half a million small businesses and farms are also benefitting from the reduction.

Ontario's Fair Hydro Plan includes shifting cost recovery for electricity support programs from electricity bills to provincial revenues, which provides a benefit of approximately $3/MWh for all consumers and is expected to offset the price increase resulting from cap and trade for an average large industrial electricity consumer over the first compliance period of the program.

~~71.~~73. **What are you doing to help Ontarians recovering from the recession pay their high electricity bills?**

Over the last decade, the government has rebuilt our transmission and distribution grid, invested in clean generation, and closed the last coal-fired power plant. Prices have increased because our electricity system is being transformed – more than $50 billion has been invested to modernize the system.

We have heard from Ontarians across the province that the costs of these new investments have grown too quickly, which is why we have implemented a plan that will ensure costs are shared more evenly over the years ahead.

Ontario's Fair Hydro Plan has reduced electricity bills by 25 per cent on average for all residential consumers. Any rate increases will also be held to inflation for four years. As many as half a million small businesses and farms are also benefitting. Lower-income Ontarians and those living in eligible rural communities would receive even greater reductions, as much as 40 to 50 per cent.

These measures include the 8 per cent rebate introduced in January and build on previously announced initiatives to deliver broad-based rate relief on all electricity bills. Taken together, these changes are delivering the largest reduction to electricity rates in Ontario's history.

~~72.~~74. **How much more will fuel cost as a result of cap and trade?**

The estimated pre-tax carbon price impact (i.e., the cost of purchasing emission allowances) on unblended gasoline is 4.3 cents a litre and for unblended diesel it is 5.0 cents a litre, as stated in the "Impact Modelling and Analysis of the Ontario Cap and Trade Program" report by EnviroEconomics, Navius Research and Dillon Consulting.

The Climate Change Action Plan outlines how cap and trade auction proceeds are to be used in the first cap and trade compliance period (2017-2020) to fund actions to reduce greenhouse gas (GHG) emissions, such as supporting businesses in shifting away from fossil fuels and investing in next generation clean technologies.

This will create good jobs, generate opportunities for investment in Ontario, and help smooth the transition to a low-carbon economy.

~~73.~~75. **How much more will natural gas cost as a result of cap and trade?**

Under the Climate Change legislation, natural gas distributors are required to comply with the cap and trade program.

Distributors recover cap and trade costs from users connected to their systems.

Since natural gas distributors are regulated entities, any charges associated with gas distributors purchasing emission credits on behalf of customers will need to be reviewed and approved by the Ontario Energy Board (OEB).

OEB undertook a consultation process with natural gas distributors and key stakeholders prior to developing its regulatory framework to assess natural gas distributors' cap and trade compliance plans including the recovery of costs in rates.

OEB set interim rates of about 3.35 ¢ per cubic metre of natural gas for the recovery of costs related to cap and trade. The actual rate impacts are being determined through an OEB hearing process currently underway.

Cap and trade is expected to increase average residential bills by between $68 to $80 per year (before taxes). The exact costs will depend on how much natural gas a customer uses each year.

**~~74.~~76. Why doesn't the Province force the Ontario Energy Board to separately disclose the cost of cap and trade on natural gas bills as a single line item?**

The OEB is an experienced public interest regulator and its decision is based on research and consideration of input from the natural gas utilities, consumer advocates and environmental groups.

The Government of Ontario relies on and has confidence in the OEB as a trusted and expert administrator of the regulatory system for natural gas.

The OEB will require utilities to keep their customers informed on cap and trade by including information on cap and trade in the description section of customer bills and providing details on cap and trade charges on the utility's website.

**~~75.~~77. Did consumers see an automatic hike in cost of living on January 1 when the cap and trade program took effect?**

Cap and trade came into effect in Ontario on January 1, 2017.

Under the Climate Change legislation, natural gas distributors are required to comply with the cap and trade program.

Distributors recover cap and trade costs from users connected to their systems that do not bear the cost of carbon directly because they are under the thresholds for inclusion in the program.

Since natural gas distributors are regulated entities, any charges associated with gas distributors purchasing emission credits on behalf of customers will need to be reviewed and approved by the Ontario Energy Board (OEB).

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The CCAP outlines how cap and trade auction proceeds are to be used in the first cap and trade compliance period (2017-2020) to fund actions to reduce greenhouse gas (GHG) emissions, such as supporting businesses in shifting away from fossil fuels and investing in next generation clean technologies.

This will create good jobs, generate opportunities for investment in Ontario, and help smooth the transition to a low-carbon economy.

**~~76.~~78. What are you doing to help Ontarians with increased costs because of cap and trade?**

To help people across Ontario save money and fight climate change, the province has launched the Green Ontario Fund, a one-stop shop offering programs and rebates to reduce energy costs in homes or businesses.

Programs and rebates are funded through the proceeds from Ontario's cap on pollution and carbon market. These programs are intended to complement Ontario's suite of existing conservation and energy efficiency programs, offering consumers greater choice and convenient access to all programs.

This includes the new GreenON Installations program, offering smart thermostats at no cost to interested and eligible households

The Green Ontario Fund is part of Ontario's goal of reducing greenhouse gas pollution in buildings to help meet our emission reduction targets—critical to the worldwide effort to fight climate change.

Visit GreenON.ca to find out how small – or big – changes in your home can help save money while reducing greenhouse gas pollution.

**~~77.~~79. How is the climate change action plan connected to cap and trade?**

Ontario's cap and trade program and the Climate Change Action Plan form the backbone of Ontario's strategy to cut greenhouse gas pollution reduce greenhouse gas emissions in Ontario and help reach our 2020 targets of 15 per cent below 1990 levels.

Together they will also set Ontario on a path to achieving its 2030 and 2050 targets.

To fight climate change, Ontario is investing proceeds from its carbon market into programs that help households and businesses reduce greenhouse gas emissions and save money on energy costs, including home retrofits that let homeowners save money and conserve energy and incentives towards the purchase of an electric vehicle.

**~~78.~~80. How will cap and trade achieve the greenhouse gas emission reductions required to meet the province's 2020 target?**

Cap and trade imposes a hard limit on the amount of greenhouse gas pollution that can be emitted in Ontario and lowers that amount over time.

Ontario is setting the economy-wide cap for the covered sectors at 142 megatonnes in the first year of the program and will decline to 125 megatonnes by 2020.

Ontario has released an action plan which identifies specific measures to help businesses and households reduce emissions and associated costs.

**Marketing/Advertising**

**~~79.~~81. Who was responsible for the new ad campaign promoting the Green Ontario Fund?**

The Ontario government is supporting the communications and public education efforts of the Green Ontario Fund until the agency becomes fully operational this Fall.

**~~80.~~82. How much did the campaign cost and how is it being funded?**

The digital campaign had a budget of $2 million to direct people on social media and digital channels to available energy saving programs on the GreenON.ca website.

**~~81.~~83. How much of the Green Ontario Fund Budget is allocated to campaigns like this?**

Public education is an important part of the Green Ontario Fund mandate. Decisions on budget for public education and awareness programs will be made when the Green Ontario Fund becomes fully operational this Fall.

**IESO Agreement**

**~~82.~~84. What is the IESO ~~directive~~ direction about? What is IESO's relationship with the Green Ontario Fund?**

The Independent Electricity System Operator (IESO) was authorized by the Minister of Energy to work with the Ministry of the Environment and Climate Change and the Green Ontario Fund to support the launch of the new agency and to develop, design and deliver new programs to help residents and business reduce greenhouse gas emissions.

**~~83.~~85. Are ratepayer dollars being used to fund Green Ontario Fund's activities such as its website and program design?**

No.

All costs incurred by IESO for supporting the initial operations of the Green Ontario Fund will be recovered through proceeds from the province's carbon market.

This requirement is included in the government's agreement with IESO

**~~84.~~86. Why did the government select IESO to provide these services and not request bids from other vendors?**

IESO has unique expertise and experience with energy efficiency programming in Ontario including established infrastructure and relationships in the marketplace that were important for the setup of Green Ontario Fund's website, call centre and program design. A relationship with IESO is expected to lead to operational efficiencies through shared resources, a consistent approach and a sound knowledge base.

**~~85.~~87. How much did the website cost?**

The government invested approximately $550,000 in carbon market proceeds to create GreenON.ca. .

**~~86.~~88. Why is the ministry buying services for the Green Ontario Fund?**

The Ministry is providing support to help this new agency become fully operational this fall.