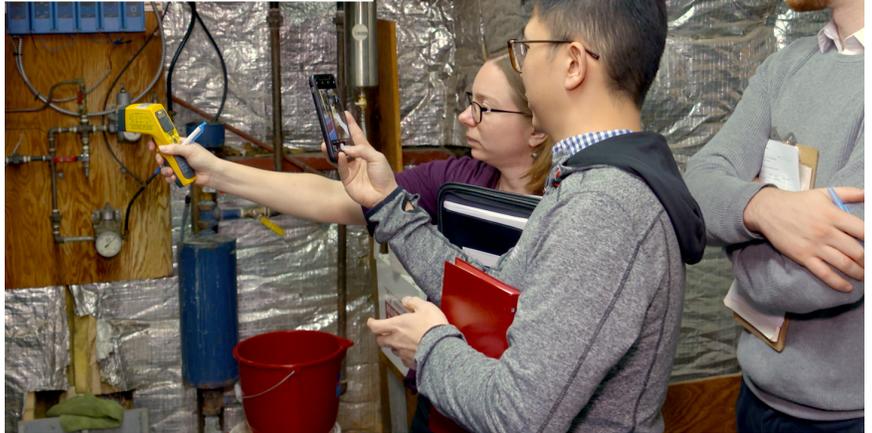


Energy efficiency can support economic and environmental renewal

Much has already been written about the impacts of COVID-19 and the collapse in global commodity prices on Alberta and Canada's economy. We see and feel it in our own homes and communities. We look forward to a return to "normal" but are starting to understand that "normal" has morphed into something that has permanently changed the way we work and view the world.



Albertans are doing what we do best: making the most of a difficult situation to chart a new course. We are using existing talent and technology as a launchpad for retooling current industries, building new ones, creating jobs and stimulating private investment.

Neither government nor business can chart this course alone. Government sets the guideposts, through policy direction and programs, as business balances public health guidelines, reduced capacity, compliance objectives and fragile bottom lines. Business responds to a shifting landscape, rethinking their cost structures and choosing technology and process improvements that will lead to reduced costs and new opportunities for jobs for Albertans.

Nowhere does this confluence come together better than programs and capital investments designed to reduce energy bills, employ new technology, and improve our environmental performance. The industrial and business sectors may call it improved margins and stewardship, non-profits may view it as extra dollars left to help those most vulnerable, residential participants may view it as saved dollars to spend in other areas of the economy, contractors, engineers and other service providers may describe it as an expanding market opportunity, and the public sector may think of it as wise use of taxpayer funds. A common term for all of the above is energy efficiency.

Investments in energy efficiency can increase business competitiveness

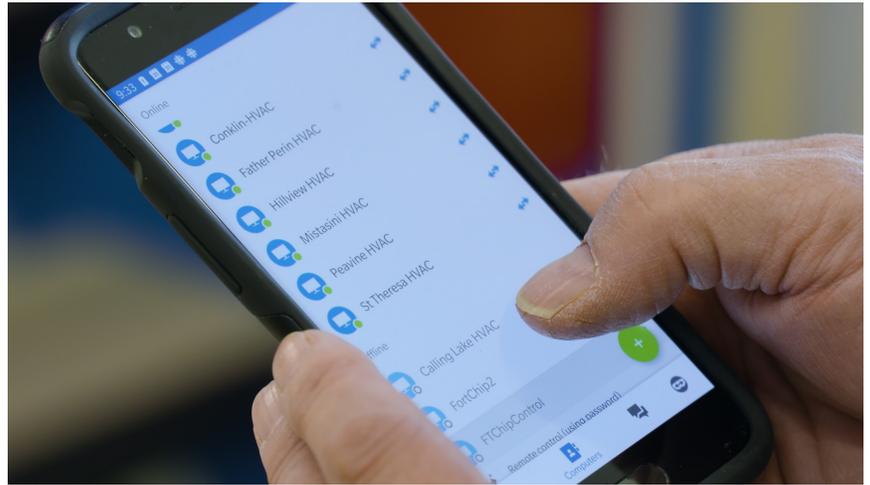
Prior to the pandemic, Alberta's business sector was already facing competitiveness challenges from jurisdictions around the world. Progressive companies have long seen the value of integrating environmental, social and governance (ESG) factors into their corporate policies and business decisions. That trend continues to grow as publicly traded companies in particular have realized positive investor reaction to their efforts to reduce emissions, water use, lower maintenance and operating costs, and support the communities where they live and work.

Additional investment in energy efficiency now across resource, manufacturing, and commercial sectors can quickly help to reduce costs while maintaining critical commitments to ESG. But companies are in a conundrum – spending money to save money only works if you currently have those dollars to invest. That's where government can play a role. Temporary and targeted funding through existing agencies and programs like Alberta's Strategic Energy Management Program can help kick-start energy savings during a time where company resources and capacity are stretched.

Exposure to these programs builds capacity and awareness within industry and begins to lay the foundation for viewing energy efficiency as a commodity. Commodities have value which can then be bought, sold, and traded, creating a market and revenue stream. Products like renewables and geothermal already have "value." In other words, there is a mechanism in place that puts a price on the outputs of those projects. We have yet to do that for the output of energy efficiency, but if we did, it could be a game changer for business competitiveness.

Accelerating the adoption of skills and technology

Hundreds of thousands of Albertans have lost their jobs in 2020. While some may return to the same or similar work as the economy begins to re-open post pandemic, many others will seek out new opportunities in traditional or new trades. Implementing energy-efficient technology and practices in industrial facilities and commercial buildings creates local, good quality jobs. Much of this work is done by local, small to medium-sized businesses that can be nimble in deploying retrofit, retooling, and technology solutions. and



electrification are important considerations for both government and industry to invest in as part of an economic recovery plan. History shows this type of public/private collaboration in Alberta can produce significant success.

This work is more comprehensive than just acquiring and installing new products; it would include and require financing, supply chain, marketing and other management functions. It can also generate demand for emerging, Alberta-made inventions and innovations.

Foundational work in training and technology uptake over the last few years has proven to be an effective business solution for companies like Stantec, Unity Electric, and Energy Profiles Limited. Upgrades to old technology reduced energy bills and emissions for all, but almost equally important, built a new understanding and appreciation for the inherent value of continuous improvement in the efficiency space. Once value becomes real instead of theoretical, momentum starts to take hold and builds demand for Alberta businesses that manufacture, design, install and maintain energy efficiency technologies and systems.

A burgeoning retrofit, waste heat capture and energy technology industry already exists in Alberta. With more demand, it could soak up additional talent and be complementary to Alberta's traditional resource sectors. That demand can come, over time, through provincial adoption of leading building codes and equipment standards that will increase the need for these good and services and the people who deploy them. Demand could also be driven through an easily accessible and quick uptake innovation and technology fund for industry and administered through existing agencies like Energy Efficiency Alberta, Emissions Reduction Alberta, Alberta Innovates and the Municipal Climate Change Action Center.

In the longer term, machine learning and data science, alternative fuels, and electrification are important considerations for both government and industry to invest in as part of an economic recovery plan. History shows this type of public/private collaboration in Alberta can produce significant success.

Making life better for Albertans

Albertans have long valued and staunchly protected their quality of life. Local community organizations and municipalities work hard to provide not only the necessities, but a variety of important services that make our communities special places to live and work. As a direct result of the downturn, municipalities are faced with a reduced tax base, struggling businesses and high fixed energy costs. They need new strategies to help them meet community expectations, economic development and environmental objectives.



Energy efficiency measures put into place in public institutions or community spaces can be one of the quickest, most cost-effective way for governments to lower costs and free up funds for other areas. In other jurisdictions in North America, Property Assessed Clean Energy (PACE) programs – like Alberta’s Clean Energy Improvement program – have been a useful tool to build up local jobs and businesses through extensive retrofit programs. This type of program could be administered by government and not only build community capacity but reduce costs and maintain property values.

While the global events of the last several months may have shaken us, we have the experience and infrastructure available from which to rebuild our economy and move forward with an economic recovery plan that is pragmatic in its approach. Albertans want and need to get back to work. They want to use resources wisely and keep energy costs low. And they want to see both government and business work together to ensure we do it in a way that enables real environmental and social outcomes. Government has a role; business has a role; service providers have a role. Energy efficiency, or one of its many monikers, can be the thread that ties it all together.

Images:

Page 1: Energy audit being complete by the CLEAResult Strategic Energy Management team.

Page 2: Northland School Division implemented cost saving measures using mobile technology.

Page 3: Clint Downie, Owner/Founder, Iron Creek Truck and Trailer; installed a solar PV system in 2018.

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