

# Study to Explore the Feasibility of a Social Purpose Organization to Advance Deep Energy Retrofits in Halton



*Graciously funded by the Oakville Community Foundation via the Investment Readiness Program*

## WHAT WE WONDERED

The [Halton Environmental Network](#) (HEN) wanted to explore ways that organizations in Halton, including HEN, can help Halton homeowners make their homes more energy efficient by advancing deep home energy retrofits via a social purpose organization (whose mission supports the creation of profit and community benefits). Funding to conduct a feasibility study was provided by the [Investment Readiness Program](#) via the [Oakville Community Foundation](#). This document summarizes the process and high-level findings. For more information, visit [haltonenvironet.ca](http://haltonenvironet.ca)

What is a social purpose organization? "... [A]n organization whose mission combines revenue growth and profit-making with the need to respect and support its environment and stakeholder network. This includes listening to, investing in, and actively managing the trends that are shaping today's world." (Deloitte, April 2019)

## WHAT WE DID

The feasibility study was conducted between September 2020 and May 2021 and involved various tactics including background research, the involvement of 400 residents who participated in an online survey, and over fifteen community stakeholders who were extensively interviewed.

## WHAT WE KNEW

- Buildings in Halton represent more than half of the community's energy use and 50% of its greenhouse gas (GHGe) that directly contribute to climate change.
- To achieve locally established mitigation targets, over 80% of the existing housing stock needs to be retrofitted in Halton by 2041 by replacing older windows, and roofs, better insulation, and upgraded heating and cooling systems (Oakville Energy Strategy, 2020).
  - Deep energy retrofits, which save 50% or more of a home's energy costs, are one of the key ways of helping rapidly implement municipal community energy plans in the residential market to drive down energy use and emissions.
- All municipalities in Halton are exploring (or in the implementation stages) of establishing on-bill financing as a mechanism to help homeowners fund their retrofits via Local Improvement Charges (LICs).
- While breakthroughs in technology, policy innovations and cost-saving options exist, conducting a deep home energy retrofit is complex and the financing and rebates available are challenging to apply for and navigate.

## WHAT WE LEARNED

This feasibility study allowed HEN to research, interview, survey, and engage with the community to gather learnings and insights to help explore the idea of a social purpose organization being the solution required to help homeowners pursue deep retrofits to help meet the energy and emissions reduction targets of communities in Halton.

We learned that:

- There are many **opportunities** associated with advancing deep energy retrofits via a social purpose organization, and there are important roles for private and public organizations and new market entrants – in addition to HEN – to advance deep energy retrofits, including via a social purpose organization.
- 97% of survey respondents said that to help address climate change, their family has or would be willing to consider some **personal lifestyle changes**, yet when it comes to pursuing a deep retrofit, one interviewee said, “It’s a **lot of work** to figure it all out unless there is an organization putting all of these pieces together to make it happen. It’s too hard for individuals to put this together on their own.”
- Retrofitting is part of a **complex institutional system of actors**. There are multiple players (municipalities, local distribution companies, researchers, non-governmental organizations, for profit companies, etc.) that touch the residential home efficiency market, that are operating independently. A number of institutional interviewees termed this challenge as a “failure of imagination to organize (or coordinate) action on a large scale.”
- As another interviewee noted, “Many homeowners are very unaware of the **future cost increase** exposure related to the \$170/tonne carbon tax by 2030. This has a material impact of annual heating costs (up to \$2,000/year for a larger 4-bedroom home), which people need to begin planning for as soon as possible.”
- Except for windows, doors and some solar panels, **deep energy retrofits are largely invisible** to other people besides a homeowner. The lack of visibility presents a challenge in terms of perceived homeowner value and lack of ability for social pressure to exert influence on purchasing decisions.
- A core theme in homeowner interviews and surveys involved trust - in particular, a deep wish to avoid being taken advantage of by technical specialists or contractors. Survey responses and interviews suggested that HEN is considered trusted and credible, as an actor interested in climate action.

## WHERE WE WANT TO GO NOW

As an outcome of the exploration phase of the investment readiness continuum, we have discovered that establishing a social purpose organization (with a series of assumptions) could possibly generate social value (measurable impact), environmental value (reduction in GHGs) and potential economic value (profitability/sustaining revenue).

HEN is committed to focusing on helping homeowners, while understanding that the policy imperative, pricing, financing tools, technology, supplies, and installers are all at various stages of readiness.

**HEN is committed to exploring partnerships to develop and share simple consumer pathways to meaningful, deep energy efficient action and to helping Halton residents to navigate the complex choices that they need to make.**

HEN has the ability to build on its expertise in communicating with and engaging the community by clearly sharing a pathway to deep home energy retrofits. As one interviewee stated: in a situation with “fragmented programs from electricity, gas, municipalities. Homeowners find it confusing - having a trusted local source to help wade through the information and help them decide what is best for them” would be helpful.

Interested in learning more?

Read the full report

[haltonenvironet.ca](http://haltonenvironet.ca)

Interested in partnering?

Let’s talk!

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