

Peel Residential Energy Program

Terms of Reference

MANDATE

The municipalities of Brampton, Caledon and Mississauga in Peel Region have all declared climate change emergencies and have approved community climate change action plans to reach ambitious greenhouse gas reduction targets. All three municipalities recognize that residential energy retrofits are essential to reduce emissions and improve energy efficiency in existing housing stock. At least 50% of the residential buildings across the Region were built before 1990 and will require deep energy retrofits in order to achieve municipal climate targets.

The mandate of the Peel Residential Energy Program (PREP) Project Management Team is to provide strategic advice and guidance on key issues, such as strategy development, strategic alignment with municipal goals, introductions and relationship management of other municipal departments and stakeholders, project communications strategies, and advising on procurement of third parties for the purposes of completing the project.

OBJECTIVES

The Project Management Team shall support the objectives of each of the participating municipality's strategic goals – including economic development, planning and development, environmental, and others.

The Project Management Team shall coordinate the execution of a Design Study to determine the key components of a Peel-wide home energy retrofit program to ensure it will be successful and achieve the scale needed to meet municipal climate targets. It will also assess the opportunities of a partnership approach to deliver a retrofit program jointly across the three jurisdictions through a potential Property-Assessed Clean Energy (PACE) program enacted through a Local Improvement Charge (LIC) financing mechanism. The Design Study will also explore a third party providing administrative support, to find economies of scale, reduce the administrative burden on individual municipalities and have consistency in program delivery across the Region.

DEFINITIONS AND PROJECT SCOPE

Definitions:

Light home energy retrofits involve minor adjustments to the home, which, for a single detached home, usually cost less than \$5,000. These types of retrofits include upgrading to LED lighting, light weatherization to minimize heat loss, installing a thermostat so the homeowners can monitor their energy use, or installing more energy efficient appliances throughout the home.

Moderate retrofits take energy efficiency a step further by focusing on heating and insulation throughout the home. While still including the upgrades mentioned in low energy retrofits, moderate upgrades include changes to the homes heating system, such as a more efficient furnace or heating pump, and insulation throughout the home, including the roof.

Peel Residential Energy Program

Terms of Reference

Deep Energy Retrofits achieve the greatest energy savings and represent an aggressive home energy retrofit, such as adding insulation to a home and replacing the entire HVAC system. Deep energy retrofits are the most expensive option as they can cost over \$100,000 for a detached home. Implementing a deep energy retrofit means adopting an integrative approach for the entire building, allowing for a more cost-effective process and higher energy savings in comparison to the adoption of separate energy retrofits.

Renewable energy can include measures such as adding solar photovoltaic (PV) panels to the roof of a home to generate its own electricity that is not reliant on the Provincial electricity grid.

Climate Resiliency measures are those that make a home better prepared for the impacts of climate change, such as reducing risk of a home being flooded.

Local Improvement Charges (LIC) or Property Assessed Clean Energy (PACE) financing are programs wherein energy efficiency, renewable energy and/or other infrastructure improvement loans are repaid through a special assessment applied to the municipal property tax bill.

Third Party Delivery A third-party manages the administration of the home energy including outreach and education, coordinating funding options, application processing, pre-approved contractor lists, audits, monitoring, etc.

Project Scope:

Geographic Boundary: City of Brampton, Town of Caledon, City of Mississauga

Type of Retrofits: Energy Retrofits, renewable energy and climate resiliency measures

Age of Homes: Focus on pre-1990 homes

Type of Program: Likely a Property-Assessed Clean Energy PACE program enacted through a LIC financing mechanism with a third party providing administrative support.

PROJECT OVERVIEW

The Design Study will explore how to address a number of barriers to home retrofit uptake in Peel Region and will provide the technical information, consultation, and strategic advice necessary to support the partners in its implementation of the PREP. The program design study will build upon market intelligence and research, including a feasibility study completed by the City of Brampton that includes the City of Mississauga and Town of Caledon, by designing a program that meets local community needs and municipal priorities.

The objectives of this design study are to determine the key design components of a Peel-wide retrofit program are to:

Peel Residential Energy Program

Terms of Reference

- ensure its success and support the scale of retrofits required to meet emissions reduction targets;
- assess the opportunities of a partnership approach to deliver a retrofit program jointly across the three jurisdictions, potentially through a third party;
- to find economies of scale, reduce the administrative burden on individual municipalities and have consistency in program delivery across the Region;
- build greater understanding and support internally from relevant municipal departments; and,
- to enhance community buy-in.

Opportunity Statement:

- Municipalities have an opportunity to accelerate actions to drive energy efficiency improvements on its existing housing stock to support the transition to a low-carbon economy.
- Currently, there are few Canadian municipalities implementing home retrofit programs.
- Municipalities are the closest level of government to residents, providing the most access to support navigating through the program and are less impacted by changes in political parties which risk program cancellation.
- There is a need for enhanced awareness across all participating municipalities of the benefits of home retrofits (both internally and externally).
- A regional approach helps to reduce the administrative burden of running a retrofit program in each municipality.
- All three municipalities have older housing stock (pre-1990) which tend to be less efficient and therefore are good candidates for a home retrofit program.
- A regional approach will result in expanded marketing reach, not only through planned marketing activities, but also through word-of-mouth traffic with the potential to have a larger contractor base.
- Potential increased economies of scale. With more homes able to participate in a program, investments in tools such as a home energy portal are leveraged.
- Demand for a new skill set from the industry and educational system creating a new field of specialty.
- Opportunity for stakeholders to collaborate and strengthen relationships for other matters.
- Contributes to the municipality's effort to reach their energy and GHG reduction goals outlined in climate change and energy plans, along with the provincial and federal emissions objectives.
- A larger uptake could lead to lower energy retrofits costs and reduced energy bills for participants.
- Influences the housing market as newer and more efficient upgrades with lower energy costs could be seen as a benefit to home-buyers.

Peel Residential Energy Program

Terms of Reference

- Increase the professional capacity of available contractors through training and certificates, as they will want to have the skills to respond to the increase in home retrofits.
- Federal funding opportunities, including FCM, to help design and implement a successful program.
- Increases community uptake in existing utility incentive programs, providing the opportunity for grant stacking.
- Opportunity to partner with third party organizations, such as the Centre for Community Energy Transformation (CCET) and Clean Air Council to help administer the program.

ROLES AND RESPONSIBILITIES

Each Project Management Team member will be the lead liaison in terms of the initiation, development and implementation of the design study and mobilization of stakeholders within their municipality. Their involvement will support effective coordination, clear communications, ensure duplication is avoided and foster cross-departmental collaboration.

Project Management Team:

All:

- Lead the creation of an overall work plan for developing the Project;
- Include as least one (1) dedicated staff member from each municipality to oversee and manage the operations of the project, including monitoring and documenting the progress and results of the project;
- Meet on a monthly basis at minimum (during certain periods, such as project inception and design, more frequent meetings may be required);
- Commit a cash contribution of fifteen thousand dollars (\$15,000) inclusive of taxes to the development of the Project;
- Facilitate meetings (supported by the Consultant, once hired) with Corporate Stakeholders including: (i) Chair meetings including the creation of meeting agendas and minutes, and follow-up on action items identified during meetings; (ii) solicit and gather any additional input and sign-off on deliverables from partners; (iii) identify partnership opportunities, and work with partners to secure additional funding for implementation;
- Review and approve the development of procurement documents for consultant(s), as necessary;
- Participate in the evaluation committee for hiring of a consultant to complete the PREP design study;
- Review and sign-off on all consultant deliverables; and,
- Seek Council approval for the final Design Study.

City of Brampton (as lead applicant and procuring agency):

- Lead cooperative procurement processes required to support the Project. In any cooperative procurements required to support this Project, Partner Municipalities will be:
 - i. listed in bid documents as partner financing agencies as part of the cooperative purchase;
 - ii. added as additionally insured to all certificates of insurance requested from vendors as part of the contract;

Peel Residential Energy Program

Terms of Reference

- iii. included in bid document review and comment prior to issuing a contract
- Lead the hiring of consultant(s), including the review and evaluation of RFPs, review and submit all consultant deliverables to the Project Management Team for review, finalization and sign-off; act as main contact for sub-consultant(s);
- Ensure that all final reports from deliverables associated with the project are made available to Partner Municipalities

MEMBERSHIP

The following table identifies key members of the Project Management team:

Project Management Team

Name	Organization
Leya Barry Teresa Chan	City of Mississauga
Mike Hoy Pam Cooper	City of Brampton
Katelyn Tozer Cristina Guido	Town of Caledon

For additional information on internal and external stakeholders see the Project Charter attached.

Additional working groups may be formed as needed.

Terms and Conditions

- i. Members understand, accept and agree to abide by these Terms of Reference;
- ii. Members are willing to commit to participating in the Project Management Team throughout the duration of the development and implementation of the Design Study;
- iii. Members agree to attend as many Project Management Team meetings as possible;
- iv. Members will strive to complete work in a timely fashion and be prepared for all meetings; and
- v. Through their participation on the Project Management Team, members agree to ensure a two-way system of information exchange among the organizations they represent.

PROJECT FACILITATION

The following facilitation responsibilities will be undertaken by the Project Management Team, supported by the consultant (once hired):

- i. Organization and facilitation of meetings
- ii. Distribution of meeting notices, agenda and other support materials
- iii. Record keeping and preparation of action items for meetings

Peel Residential Energy Program

Terms of Reference

- iv. Ongoing communication (e.g. electronic correspondence and verbal discussions to address questions or clarify concerns)

FUNDING CONTRIBUTION

The Project Management team agrees that the total budget for the Project is two hundred and twenty thousand dollars (\$220,000), based on financial contributions made by Partner Municipalities (Mississauga, Brampton, Caledon) and the Federation of Canadian Municipalities as set out herein.

The City of Brampton shall be responsible for managing the budget for the Project in consultation with Partner Municipalities via the Project Management Team, including ensuring that the budget is not exceeded.

Partner Municipalities will make financial contributions to the Project in accordance with the following:

- i. Federation of Canadian Municipalities: \$175,000
- ii. Partner municipalities (Mississauga, Brampton, Caledon): \$15,000 each, inclusive of taxes.
- iii. These funds will be transferred to the City of Brampton (Lead Organization) prior to commencement of the Study.

PROJECT CHARTER

The Project Management Team has developed a Project Charter which includes key stakeholders to be engaged as well as project Milestones and anticipated timelines.

Please see the attached Project Charter for more details.

SIGNATURES

Each municipality agrees to the Terms of Reference as outlined above, including the financial commitment of \$15,000 per municipality.



City of Brampton
Michael Won
Director, Environment and Development Engineering

July 9, 2021

Date

Town of Caledon
Erin Britnell
Director, Corporate Strategy and Innovation

Date

**Peel Residential Energy Program
Terms of Reference**

Town of Caledon
Heather Haire
Acting Director, Finance

Date

City of Mississauga
Stefan Szczepanski
Director, Parks, Forestry and Environment

Date