



EfficiencyOne

2023 Business Plan





TABLE OF CONTENTS

- Introduction.....3
- Lead with Purpose.....5
- Build for the Long Term.....6
- Grow and Evolve.....7
- Positively Impact Communities.....8
- Conclusion.....9
- Budget.....10
- 2023 Scorecard.....11



Introduction

The 2023 Business Plan highlights key performance areas that will help EfficiencyOne achieve its strategic priorities and drive continuous improvement.

Our Purpose:

We transform the way people use energy.

Our Mission:

Together, we help people achieve their energy goals, save money, conserve resources, improve wellbeing, and combat climate change.

Our Strategic Priorities

Lead with purpose

- Achieve measurable results and meet annual and multi-year targets and funding obligations
- Integrate environmental, social, and governance considerations into our decision making
- Support our customers, funders, and partners to help them transform the way they use energy
- Provide exceptional customer service and deliver programs and services with the highest level of safety
- Lead the advancement of policy that drives the energy transition

Build for the long term

- Work with partners to increase capacity to accelerate the energy transition
- Build and maintain a talented, high-performing workforce to lead the industry transformation
- Invest in and test new technologies and approaches to advance industry and market readiness

Grow and evolve

- Seek out and respond to new opportunities to advance our purpose and mission
- Leverage our knowledge and expertise by using our data, tools, and resources to expand our services to meet the evolving needs of our customers
- Partner with organizations to realize mutual goals

Positively impact communities

- Expand equitable access to our services
- Design services to reduce energy poverty
- Commit to reconciliation with Indigenous Peoples
- Provide expertise and advice on the benefits of energy efficiency and renewable energy

EfficiencyOne will invest \$53.0 million in 2023 to achieve 120.7 GWh in first-year electrical energy savings, 26.9 MW of peak electrical demand savings and 3 MW of demand response capacity. The organization will invest an additional \$44.3 million to achieve first-year non-electrical greenhouse gas emission reductions of 19,643 tonnes in 2023.

The strategies and initiatives described in the 2023 Business Plan will result in:

- Approximately \$203 million of electricity bill savings recirculating in our local economy over the next 13 years, helping Nova Scotia improve its economic productivity and competitiveness;
- Training and support for approx. 300 local businesses to work on Efficiency Nova Scotia projects;
- A cleaner environment by avoiding more than 102,000 tonnes of greenhouse gas emission reductions per year;
- On average, \$31,960 in total heating cost savings over the next 20 years for more than 1,408 low-income homeowners expected to receive energy efficiency upgrades in our HomeWarming service in 2023;
- Combined energy bill savings of approximately \$20.1 million for over 1,244 affordable multi-family housing units, over the next 20 years; and
- Total energy bill savings over the next 20 years of over \$9.9 million in band-owned homes across 13 Mi'kmaw communities.

Lead with Purpose

Energy savings are a quantifiable and highly visible measure of the organization's performance, and a key performance target EfficiencyOne is responsible for as the Efficiency Nova Scotia franchisee. EfficiencyOne also has a strategic focus on combatting climate change by reducing GHG emissions through its pilots and programs. EfficiencyOne has calculated an annual budget to achieve the energy and GHG emissions savings targets in its three-year supply agreement with NS Power and its service agreements with the Province of Nova Scotia and the Government of Canada, while supporting customers through our programs, investing in the future with innovation, and maintaining our safety focus.

Key initiatives in this area include:

- **Continue to add new or enhanced incentives** to make it easier for all residents and businesses to benefit from energy efficiency and carbon emissions reductions.
- **Complete supervisor job observations and risk assessments** to ensure that job hazards are continuously identified and addressed for all employees, especially those working in areas outside of EfficiencyOne's office environment.
- **Implement new digital tools** to make it easier for renters, homeowners, and business customers to find the programs and rebates that best fit their needs.
- **Integrate environmental, social and governance considerations into our decision-making** to ensure we are aligned with our ESG policy and achieving the targets for our ESG metrics.

Build for the Long Term

EfficiencyOne has a strategic focus on building and maintaining an engaged, customer-focused, high-performing, diverse and inclusive workplace with an emphasis on continuously developing the skills and abilities of our employees and the broad network of partners that deliver our services as we move through the energy transition. New innovative technologies are crucial to advance the energy industry and support the energy transition. Researching and investing in innovative technology is a key focus of EfficiencyOne in 2023. EfficiencyOne's new Corporate Innovation Plan outlines which innovation projects it will undertake and sets high-level objectives for innovation in 2023.

Key initiatives in this area include:

- **Build capacity with strategic partners in key sectors** to accelerate the energy transition through workshops, training, and professional development opportunities.
- **Continue to expand employee development and career management** to ensure employees feel supported and see growth potential.
- **Invest in new technologies and approaches** to support new programs and innovation initiatives while advancing industry and market readiness.
- **Implement data integrity processes** to support our customers, staff, and partners better.

Grow and Evolve

Increased funding is necessary to grow and evolve program and service offerings for Nova Scotians. In 2022, EfficiencyOne developed a long-term funding strategy that is rooted in priorities from the strategic plan and related work, such as the White Paper – 2050: Net-Zero Carbon Nova Scotia. This strategy will guide EfficiencyOne’s funding growth as it seeks out and responds to new funding opportunities to advance its purpose and mission while also helping the Province meet its net-zero targets. A similar funding strategy for HCl3 will also be launched in early 2023.

Key initiatives in this area include:

- **Deliver on the Innovation Plan** to expand our programs and services to meet customers’ evolving needs in the short and long term while also being a leader in the energy transition.
- **Support the long-term funding strategy** by building on learnings from pilots and research to seek out new funding opportunities to advance our purpose and mission.
- **Leverage our knowledge, expertise, data, and tools** to make strategic improvements to our program and service offerings.

Positively Impact Communities

Ensuring all Nova Scotians can realize the benefits of energy efficiency through equitable and accessible programs and services is necessary if Nova Scotia is to meet its net-zero targets. EfficiencyOne has significantly increased investments into programs and services targeting low-income and marginalized Nova Scotians.

Key initiatives in this area include:

- **Improve current low-income program offerings and launch new program offerings** that support underserved and marginalized Nova Scotians.
- **Publish a technical paper on Energy Poverty and an Equitable Transition** to help lead policy development to reduce energy poverty and expand equitable access to our services.
- **Provide education and training opportunities around reconciliation with Indigenous Peoples** to staff and contracted service providers so that we can better support Mi'kmaw communities.

Conclusion

Advancing EfficiencyOne's strategic priorities will require an ongoing focus on effectively managing and adapting activities in the context of rising inflation, supply chain delays and resourcing challenges. By focusing on innovation and expanding program and service offerings, EfficiencyOne can transform the way people use energy, reduce greenhouse gas emissions, create jobs, and save families and businesses money when they need it most.

Budget

EFFICIENCYONE
Consolidated Statement of Operations
2023 Budget
In Thousands

	DSM FUND	PNS FUND	Greener Homes	HEMS Pilot	HCI3	TOTAL BUDGET
Revenue						
DSM Fee for Service	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ 53,000
PNS Fee for Service	-	3,108	-	-	-	3,108
Greener Homes Fee for Service	-	-	21,615	-	-	21,615
Other Fee for Service	-	-	-	221	-	221
Investment Income	-	-	-	-	281	281
Recognition/(Deferral) of Revenue	(330)	39,582	(76)	(39)	534	39,671
Interest Income	228	1,657	76	-	45	2,006
Total Revenue	52,898	44,347	21,615	182	860	119,902
Direct Costs						
Incentives	35,082	36,065	19,924	-	243	91,314
Evaluation & Verification	1,645	263	-	-	-	1,908
Program Support	550	212	-	-	-	762
	37,276	36,541	19,924	-	243	93,984
Other Program & Administrative Costs						
Amortization	39	18	-	-	-	57
Bad Debts	20	-	-	-	-	20
Bank Charges & Interest	-	-	-	-	-	-
Information Technology	607	441	186	4	15	1,253
Marketing, Outreach, Education & Research	2,373	1,176	364	-	22	3,935
Meetings & Travel	130	100	31	5	10	277
Office & Insurance	233	170	72	2	9	487
Professional Fees & Consulting	452	297	148	-	146	1,044
Rent	459	214	30	7	18	728
Salaries & Benefits	11,072	5,219	789	162	393	17,635
Training & Development	235	170	71	2	4	483
	15,621	7,806	1,691	182	617	25,918
Total Costs	52,898	44,347	21,615	182	860	119,902
Net Surplus (Deficit) from Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Acronyms:

- DSM – Demand Side Management
- PNS – Province of Nova Scotia
- HEMS – Housing Energy Management System
- HCI3 – Halifax Climate Investment, Innovation and Impact Fund

2023 Scorecard

2023 GHG Target 102,052 tonnes

Strategic Priority	Measure of Success	Threshold	Target	Stretch
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Lead with purpose				
<i>Achieve measurable results and meet annual and multi-year targets and funding obligations</i>	DSM: First-Year Energy Savings (net GWh)	DSM Energy Savings of 108.6 GWh (74,168 gross tonnes of CO ₂ eq.) - 90% of 2023 UARB approved target	DSM Energy Savings of 120.7 GWh (82,409 gross tonnes of CO ₂ eq.) - 100% of 2023 UARB approved target	DSM Energy Savings of 126.8 GWh (86,529 gross tonnes of CO ₂ eq.) - 105% of 2023 UARB approved target
	DSM: First-Year Demand Savings (net MW)	DSM Demand Savings of 24.2 MW - 90% of 2023 UARB approved target	DSM Demand Savings of 26.9 MW - 100% of 2023 UARB approved target	DSM Demand Savings of 28.3 MW - 105% of 2023 UARB approved target
	DSM: Available Demand Response capacity (net MW)	DSM Available Demand Response capacity of 2.7 MW - 90% of 2023 UARB approved target	DSM Available Demand Response capacity of 3.0 MW - 100% of 2023 UARB approved target	"Target" + agreements and/or procurements are in place to achieve an incremental 6.8 MW of Demand Response capacity in 2024 (100% of the UARB approved target for 2024)
	Non-DSM: First Year GHG savings (Gross tonnes CO ₂ eq)	Non-DSM 2023 GHG Savings of 16,985 gross tonnes of CO ₂ eq. (Contract Gap)	Non-DSM 2023 GHG Savings of 19,643 tonnes of CO ₂ eq. (2023 Budget)	"Target" + 5,000 Greener Homes participants receive their incentive in 2023
<i>Support our customers, funders, and partners to help them transform the way they use energy</i>	DSM Spending as compared to 2023 Budget	DSM Spending between 90% and 95% of 2023 Budget	DSM Spending between 96% and 100% of 2023 Budget	"Target" + cost type spending (Direct, Program Support and Admin) is within 5% of 2023 Budget
	Non-DSM Spending as compared to 2023 Budget	PNS Spending between 90-94% of 2023 Budget	PNS Spending between 95% and 105% of 2023 Budget	"Target" + cost type spending (Direct, Program Support and Admin) is within 5% of 2023 Budget



Strategic Priority	Measure of Success	Threshold	Target	Stretch
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Lead with purpose				
<i>Provide exceptional customer service and deliver programs and services with the highest level of safety</i>	% completion of required training and supervisor Hazard Assessment Checklists; # of Lost Time Incidents and # of Data Breaches	Employees and supervisors complete required training on Site Visit SWP, Home Office SWP and related Hazard Assessment Checklists + all Contracted Service Providers are WCB certified	"Threshold" + Zero lost time injuries for staff in 2023 + Zero data breaches reported	"Target" + All ELT complete at least 2 safety site visits including at least one Mi'kmaw community
	Maintain CSAT by implementing customer tools that also reduce complaints	Implement residential screening tool and Small Business Energy Solutions/ Business Energy Rebates portal implementation	"Threshold" + CSAT score of 89% or better	"Target" + reduce Home Energy Assessment and Greener Homes complaints by 25% compared to 2022

Build for the long term				
<i>Invest in and test new technologies and approaches to advance industry and market readiness</i>	% of Innovation Project Goals with due dates in 2023 complete	70% of Innovation Project Goals with due dates in 2023 complete	80% of Innovation Project Goals with due dates in 2023 complete	90% of Innovation Project Goals with due dates in 2023 complete
<i>Build and maintain a talented, high-performing workforce to lead the industry transformation</i>	% Overall Employee Engagement	Complete key actions in areas of: Workload Management Employee Career Development Leadership Effectiveness Culture & Collaboration	"Threshold" + Achieve top quartile overall employee engagement results based on current norms for employers (actual % to be based on Narrative Research 2019-2022 data)	"Target" + Improve specific survey items related to targeted areas by minimum 3 percentage points



Strategic Priority	Measure of Success	Threshold	Target	Stretch
Grow and evolve				
<i>Seeking out and responding to new opportunities to advance our purpose and mission</i>	E1 Funding Growth	Establish an internal vetting, decision, and resource-allocation process based on the funding strategy + develop a business case that includes options to expand E1's services to grow geographically	10% new funding for E1 executed in 2023	25% new funding for E1 executed in 2023
	HCI3 Funding Growth	Implement the Fund Leverage Strategy	\$500,000 in endowment matching funds to be invested in 2024	\$750,000 in endowment matching funds to be invested in 2024
			\$750,000 in project level matching funds (direct investments and grants)	\$1,000,000 in project level matching funds (direct investments and grants)
Positively impact communities				
<i>Design services to reduce energy poverty</i>	DSM (net GWh) and Non-DSM (gross tonnes of CO ₂ equivalent): First-Year Low Income Savings including Home Warming, MHEEP and AMFH	DSM Energy Savings of 4.8 GWh - 90% of 2023 UARB approved target	DSM Energy Savings of 5.3 GWh - 100% of 2023 UARB approved target	DSM Energy Savings of 5.6 GWh (105% of 2023 UARB approved target) and 3,500 gross tonnes of CO ₂ eq in Non-DSM Low Income Savings

