



Manitoba Federation of Labour Submission to the Manitoba Legislative Standing Committee on Bill 19

The Efficiency Manitoba Act

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Bill 19: The Efficiency Manitoba Act

Good evening, my name is Kevin Rebeck, and I'm the President of the Manitoba Federation of Labour (MFL). On behalf of the more than 100,000 unionized workers we represent in Manitoba – including the employees of Manitoba Hydro and many building trades workers who build our hydro assets – we'd like to thank you for the opportunity to speak to Bill 19: *The Efficiency Manitoba Act*.

Manitoba Hydro, as a publicly owned Crown Corporation, is one of our province's greatest economic, environmental and social assets. The further development of our clean, renewable hydro-electric resources, further investment in demand side management, and expansion of other renewables, such as wind and solar, are vital ingredients for Manitoba's long-term economic growth, global efforts to curb climate change and ongoing energy affordability for families and businesses in Manitoba.

There are some very positive aspects to Bill 19, but also some very concerning ones, which we urge government to reconsider – in what follows, we will speak to both.

The MFL is pleased to see government moving forward with legislated energy efficiency targets, and we support engagement with those with expertise and experience to help strengthen targets over time. In Manitoba, we already have a strong track record and much to be proud about on the energy efficiency file. Manitoba Hydro's existing suite of Power Smart programs has already transformed the way that Manitobans think and act with regards to energy consumption and conservation. Using our valuable energy resources ever more wisely will not only save families and businesses money on their energy bills, but will also free-up excess power to be sold profitably on the export market, thereby helping to keep Manitoba's hydro rates among the lowest in North America, and reduce our carbon footprint.

The MFL believes that Manitoba Hydro should keep moving boldly to further strengthen energy efficiency programming and, at the same time, continue to build our valuable hydro-electric resources, creating good, family-supporting jobs, keeping rates low for Manitobans, stimulating economic growth and growing North America's renewable energy supply.

We suggest that further consideration be given to how best to expand energy efficiency programs into First Nation communities, where home and community infrastructure can be particularly energy inefficient, as well as to lower income households, who need urgent relief on their energy bills. We applaud the steps that Manitoba Hydro has taken in recent years, under the framework of *The Energy Savings Act*, to dramatically expand the reach of programs in support of energy efficiency, and the adoption of geothermal infrastructure in First Nations communities.

We are deeply concerned, however, with a core feature of Bill 19: breaking-off energy efficiency programming from Manitoba Hydro, where it has matured, expanded its reach and become increasingly more effective over the years. While we recognize that Bill 19 is proposing the establishment of a standalone publicly-owned Crown Corporation (Efficiency Manitoba), as opposed to a private entity (which we would adamantly oppose), we are still concerned about:

- Threatening and creating massive uncertainty for more than 100 talented and experienced Manitoba Hydro staff who currently work in this area;
- Dividing-up and segmenting Manitoba Hydro into smaller bits and parts, weakening its foundation;
- Interfering with the successful branding and customer respect and acceptance already established for Power Smart;

- Risking loss of continuity in programming and loss of knowledge and expertise of staff; and
- Perhaps most concerning for the long-term, the threat of laying the groundwork for privatization in the future, which would run totally contrary to the interests of all Manitobans.

These concerns add to the great alarm Manitobans are already feeling about the announcement of 900 layoffs at Manitoba Hydro, coming at a time when a number of other large employers – Great West Life, Investors Group, Bell, etc. – are also eliminating good jobs in our province.

We note also that the creation of a new energy efficiency entity, along with a new Board and administrative and governance structure, will involve significant additional costs – both transitional and ongoing - that will need to be borne by Manitoba Hydro rate payers: residential, commercial and industrial. This seems like a move in the wrong direction, especially when there is no guarantee that a new entity will deliver better results. In fact, it would seem that the creation of a new entity threatens to produce inefficiencies, added costs, disruption (both personal and commercial) and risks degrading Manitoba Hydro's reputation, not only at home, but in our export markets. It also threatens to disrupt existing positive relationships with energy efficiency partners, which have supported the success of Power Smart.

Thank you for the opportunity to share our views. We urge the government to reconsider the Bill 19 model: retain the framework for legislating and strengthening energy efficiency targets, but build on the successful Power Smart foundation within Manitoba Hydro, rather than gambling on an expensive new offshoot to do the work that Manitoba Hydro workers have already shown they can do efficiently and effectively.