



**MINISTRY OF
TRANSPORT & REGULATORY AFFAIRS**

MINISTERIAL STATEMENT

**SUBJECT: Energy Efficiency Initiative, a Throne
 Speech Initiative**

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Ministerial Statement to the House of Assembly

Energy Efficiency Initiative, a Throne Speech Initiative

By

The Hon. Walter H. Roban JP MP

Deputy Premier and Minister of Transport and Regulatory Affairs

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Mr. Speaker, the Ministry of Transport and Regulatory Affairs would like to share with this Honourable House the status of the Energy Rebate Initiative. This is an initiative identified in the 2018/19 Budget Brief, whose purpose is to re-establish the energy rebate programme but, this time, primarily targeted to seniors and low income households.

Mr. Speaker, as many will recall, the first solar rebate initiative was launched by the previous PLP administration on September 30, 2009. It was designed to encourage homeowners to install photovoltaic systems on their property and to stimulate the local solar installation market. The programme offered a rebate of one dollar per Watt up to a maximum of five thousand Watts (five kilowatts) of installed capacity on residential properties.

At the end of the Fiscal Year 2014/2015, the Department of Energy had issued over \$800,000 in solar rebates. Because of that original initiative, there are approximately 220 homes interconnected to the grid, selling their excess energy to BELCO, and about 65 homes using solar water heating. Over the lifetime of these installations, we have offset more than 950 metric tons of carbon dioxide emissions from the environment, which is similar to taking about two hundred cars off the road. This also means Bermudians have not spent that money buying foreign oil, which works out to be about \$235,000 a year. These conservative estimates prove that this initiative has yielded an excellent return on Government's investment.

Mr. Speaker, it is recognised, however, that although the previous rebate structure achieved positive results, it would not be enough to simply reboot the old scheme. Under the old scheme, those who could already afford solar technologies were provided additional incentive to proceed with installation. As such, Mr. Speaker, it is recognised that, this time, we must arrive at measures to reach those who need help the most. The Department of Energy was tasked with finding ways in which a new initiative might be launched that could provide a greater societal benefit. Solar technologies are only one way to effectively offset carbon emissions and retain Bermudian dollars in the local economy, and the other means have gone largely unexplored.

Mr. Speaker, we are all acutely aware that electricity is a major line item in household expenditures. Lighting can account for between ten (10) and fifteen percent (15%) of household annual electricity consumption. Traditional water heating accounts for between fifteen (15) and thirty percent (30%) of a household's energy use. Employing energy saving strategies such as timers on water heaters can help to dramatically reduce electricity bills.

Therefore, **Mr. Speaker**, the first phase of the Energy Rebate Initiative will target seniors and low income households for the purpose of installing simple energy efficient technologies in homes. The Department of Energy has been working with Financial Assistance and the Bermuda Housing Corporation to identify those most in need, and will be tracking savings to assess performance over time. The Ministry of Transport & Regulatory Affairs will work with the energy sector stakeholders through a fair and open procurement process to purchase and install simple energy efficient technologies, such as water heater timers and LED lights, in homes across the Island. This will have more impact than just being of benefit to the end users; it also will be an investment in, and provide support for, local businesses. This aligns with the Government's goal of creating opportunities for Bermudians.

Finally, **Mr. Speaker**, the Department of Energy is reviewing strategies regarding actual rebates for the deployment of Solar Photovoltaic systems (which generate electricity) and Solar Thermal systems (which generate heat). It is intended that the rebate will be on a sliding scale depending on the Annual Rental Value of properties. This will seek to provide more incentive for those who own smaller properties, who may need assistance to invest in technologies they would otherwise not be able to afford. A more extensive evaluation is currently underway to ensure that this piece of the new Energy Rebate Initiative reaches the intended demographic.

In closing, **Mr. Speaker**, the Ministry of Transport & Regulatory Affairs is committed to investing in pragmatic, cost-effective solutions for seniors and low income households that will assist in reducing their electricity expenditures. The added benefits are manifold: we will create business opportunities for Bermudians; we will improve the economy, at least in a small way, by retaining local currency on Island; and, we will benefit the environment by avoiding the production of some greenhouse gases through the deployment of the technologies mentioned. This, **Mr. Speaker**, is the true essence of sustainability- good for the people, good for the economy, and good for the environment.

Thank You, **Mr. Speaker**.

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