Household Energy Billing Through an Equity and Fairness Lens: A Winnipeg Perspective

**Introduction**

Energy bills play a vital part in housing and rent affordability. High energy bills have the ability to increase the housing cost for renters and homeowners beyond the acceptable expenditure threshold for housing affordability. Therefore, successfully negotiating the energy billing curve will create a positive effect on housing affordability.

The purpose of this project is to analyze the uptake of Manitoba Hydro’s energy efficiency programmes and the issues that continue to impact high energy consumption in Winnipeg, especially among low-income households.

The interviews, spatial data analysis and rental scan revealed that the current nature of affordable energy initiatives does not yield universal benefits to neighbourhoods in Winnipeg.

**Research Questions**

- How have energy initiatives been implemented and applied to utility costs for low-income households in Winnipeg?
- Do the energy initiatives provide equal opportunities and benefits to renters and homeowners especially in low-income neighbourhoods?
- Are there existing and potential conflicts between encouraging reduced energy consumption and equity for low-income households and in what ways can these conflicts be mitigated?

**Research Methodology**

- **Semi-structured Interviews**: Interviews with staff from 4 neighbourhood associations and a staff from Manitoba Hydro provided primary data for this project.
- **Rental Scan**: Data on rental listings from four Winnipeg neighbourhoods (Wolseley, West Broadway, St. Vital and St. Boniface) were taken between December 2019 and January 2020. Data collected was inputted into a program.
- **GIS Analysis**: Spatial data on energy poverty in Winnipeg was accessed from multiple sources and analyzed to give a pictorial view of how each neighbourhood in Winnipeg fares in terms of energy poverty and its influencing factors.

**Findings**

The rental data collected showed that more listings excluded heat and hydro cost from the rent which indicated that the responsibility of paying energy bills in rental housing within the study neighbourhoods is higher among renters. Another realization from the data is that it is not uncommon for rental listings to include one or more utilities in the rent. In such situations, renters still shared in the responsibility of energy bill payment.

As expected, the average rent of units with energy bill inclusive was 9% higher than units without energy bills as part of their rent.

- **Utilities included in rental listings**

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<thead>
<tr>
<th>Utilities Included</th>
<th>Rent per square feet</th>
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<tbody>
<tr>
<td>Only Hydro &amp; Heat</td>
<td>$1.25</td>
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**Analysis**

- **The existing programmes are more generalized and do not necessarily consider the core issues in specific neighbourhoods.**
- **In most cases, renters are disadvantaged as they do not have direct access to home energy efficiency programmes.**
- **The equal payment plan which is generally available to renters provides a curative solution instead of a preventative solution or a permanent solution to the billing situation.**
- **Low-income residents are usually the occupants of buildings that require major repairs and have inefficient energy consumption, leading back to energy poverty.**
- **While most energy efficiency initiatives are homeowner friendly, there isn’t any programme that specifically targets renters.**

**Recommendations**

- **Amending the Residential Tenancies Act to mandate landlords to collect and disclose energy consumption data to renters.** New York City is an example where the disclosure of energy use of buildings and energy star scores of appliances in buildings led to a 14 percent reduction in building energy use in a space of four years (Schwartz et al., 2018, p.22).
- **Develop low-income energy efficiency programmes for renters and landlords.** The dynamics that come into play between renters and homeowners should be recognized in the creation of any such programme designing such that the potential conflicts between the two would be addressed.
- **Designing programmes that fit specific neighbourhoods based on the neighbourhood’s peculiar needs is another approach to increase energy efficiency.**