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March 31, 2026

British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC
V6Z 2N3

Dear Registrar:

Re: FortisBC Energy Inc. (FEI)
Natural Gas Demand-Side Management (DSM) – 2025 Annual Report

Attached please find the Natural Gas DSM Program 2025 Annual Report for FEI.

If further information is required, please contact Sarah Commander, Manager, Regulatory Affairs at (250) 469-6081.

Sincerely,

FORTISBC ENERGY INC.

Original signed:

Sarah Walsh

Attachment



FortisBC Energy Inc.

**Natural Gas
Demand-Side Management
Programs 2025 Annual Report**

March 31, 2026

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1. REPORT OVERVIEW

This Demand-Side Management (DSM) Annual Report (Report) provides highlights of FortisBC Energy Inc.'s (FEI or the Company) DSM programs for the year ended December 31, 2025, and provides a summary of results achieved in 2025. The Report reviews the progress of FEI's DSM programs in meeting the accepted 2024-2027 DSM Plan¹ (Plan) by educating and incenting FEI's customers to conserve energy and improve the energy efficiency of their homes, buildings, and businesses.

Section 1.1 contains a statement of financial results (Table 1-1), including the Utility Cost Test (UCT) results by Program Area. Sections 1.1 and 1.2 set out how FEI's DSM programs met the requirements of the British Columbia Demand-Side Measures Regulation (DSM Regulation).² Section 1.3 provides an overview of funding transfers and carryover amounts. Section 1.4 provides insight into external collaboration with government and utilities, and Section 1.5 addresses the directives from British Columbia Utilities Commission (BCUC) Decision and Order G-31-24 (Decision) on FEI's 2024-2027 DSM Plan. Sections 2 through 11 of the Report provide an overview of DSM program activities by Program Area, including program-level comparisons of actual energy savings and costs to Plan.

Throughout the Report, any difference in the totals between the DSM Portfolio Overview and Program Area tables are due to rounding. Where "zero" values occur, they may reflect rounding to the nearest \$000s expenditure level when expenditures were under \$500.

1.1 PORTFOLIO RESULTS

In this section, FEI provides its DSM energy savings, expenditures and cost-effectiveness test results at an overall Portfolio and Program Area level. Table 1-1 provides a summary of overall Portfolio results. FEI achieved an overall Portfolio UCT of 1.6 on DSM expenditures of \$247.917 million and recorded annual natural gas savings of 1.360 million GJ in 2025. These energy savings resulted in carbon emission reductions of 92,522 tonnes of CO₂e in 2025 and total reductions of 814,802³ tonnes of CO₂e over the life of all measures installed or undertaken in 2025.

¹ The FEI 2024-2027 DSM Plan expenditures were accepted by the BCUC pursuant to Decision and Order G-31-24.

² *Demand-Side Measures Regulation (BC Reg. 326/2008) Section 5(2)(b)*, amended June 30, 2023.

³ Emission reduction value is determined by a combination of the life cycle (well to burner tip) emission factor and AR5 Global Warming Potential (GWP) factor. The emission factor is 0.068 tonnes CO₂e/GJ sourced from the Government of Canada ([Clean Fuel Regulations](#)). Annual emission reductions are those attributed to the first year following measure implementation. Lifetime reductions are the total reductions that occur over the life of all measures implemented (based on NPV of gas savings).

1 **Table 1-1: Overall DSM Portfolio Results for 2025**

Indicator - 2025 Results	Total
Utility Expenditures, Incentives (\$000s)	213,604
Utility Expenditures, Non-Incentives (\$000s)	34,313
Utility Expenditures, Total (\$000s)	247,917
Net Incremental Annual Gas Savings (GJ/yr.)	1,360,623
Annual GHG Emission Reductions (tonnes CO2e/yr)	92,522
NPV of Annual Gas Savings (GJ/yr.)	11,982,388
Measure Lifetime GHG Emission Reductions (tonnes CO2e)	814,802
UCT	1.6

2
 3 Tables 1-2 and 1-3 below provide the expenditures and cost-effectiveness test results by Program
 4 Area for the overall DSM Portfolio.

5 **Table 1-2: Overall DSM Portfolio Level Results by Program Area 2025 – Expenditures**

Program Area	Utility Expenditures (\$000s)					
	Incentives		Non-Incentives (including carryover)		Total Expenditures (including carryover)	
	2025 Plan	2025 Actual	2025 Plan	2025 Actual	2025 Plan	2025 Actual
Residential	37,868	124,930	3,878	2,100	41,746	127,029
Commercial	9,798	13,849	3,980	3,102	13,778	16,951
Industrial	6,929	5,593	1,124	657	8,052	6,250
Low Income	7,394	38,301	2,194	1,348	9,589	39,648
Indigenous	4,136	2,578	582	1,352	4,718	3,930
Conservation Education and Outreach	-	-	16,115	12,212	16,115	12,212
Innovative Technologies	16,662	7,291	4,461	2,799	21,123	10,090
Enabling Activities	5,525	5,218	8,347	5,214	13,872	10,432
Portfolio Level Activities	-	-	4,731	5,354	4,731	5,354
Legacy Expenditures	19,639	15,844	1,178	177	20,817	16,021
ALL PROGRAMS	107,950	213,604	46,591	34,313	154,541	247,917

6

1 **Table 1-3: Overall DSM Portfolio Level Results by Program Area 2025 – Savings**

Program Area	Incremental Annual Gas Savings, Net (GJ)		Benefit/Cost Ratios	
	2025 Plan	2025 Actual	UCT	TRC
Residential	187,758	344,023	1.4	-
Commercial	138,322	232,939	4.8	-
Industrial	394,550	453,713	7.9	-
Low Income	56,992	86,785	1.0	-
Indigenous	22,237	3,475	0.5	-
Conservation Education and Outreach	30,000	110,127	0.3	-
Innovative Technologies	Savings not estimated		Savings not estimated	
Enabling Activities	-	56,129	Savings not estimated	
Portfolio Level Activities	Savings not estimated		Savings not estimated	
Legacy Expenditures	57,878	73,432	2.7	1.1
ALL PROGRAMS	887,737	1,360,623	1.6	-

2
3 The majority of the Plan is subject to the UCT to determine cost-effectiveness; however, Legacy
4 Expenditures are subject to the Total Resource Cost Test (TRC) as outlined in Section 5 of the
5 DSM Regulation. Both the UCT and TRC results are above 1, indicating a cost-effective portfolio.

6 FEI's actual 2025 DSM expenditures were 160 percent of Plan and energy savings were 153
7 percent of Plan. Actual savings exceeded Plan in all Program Areas except for the Indigenous
8 Program Area.

9 Throughout the Report, the following general notes apply to all Program Areas:

- 10 • A “Non-Program Specific Expenses” line item has been included for each Program Area
11 in Sections 3 through 9. These expenditures support multiple programs within that
12 Program Area and are therefore not specific to only one program. Generally, these
13 expenditures represent items such as training, travel, marketing collateral, and consulting
14 services that support the overall Program Area.
- 15 • The expenditures, energy savings and cost-effectiveness results presented in the Report
16 are exclusive of third-party funding such as CleanBC funding from the British Columbia
17 Ministry of Energy and Climate Solutions (MECS). For measures that also receive third-
18 party incentive funding, attribution of energy savings among the parties has been
19 accounted for in both the FEI claimed savings and cost test results.

20 **1.2 MEETING ADEQUACY REQUIREMENTS OF THE DSM REGULATION**

21 Table 1-4 below shows how the FEI DSM Portfolio meets the adequacy requirements of Section
22 3 of the DSM Regulation.

1

Table 1-4: Meeting Adequacy Requirements of the DSM Regulation

DSM Regulation	Compliance Summary
(1) A public utility’s plan portfolio is adequate for the purposes of section 44.1(8)(c) of the UCA only if the plan portfolio includes all the following:	
a) a demand-side measure intended specifically <ul style="list-style-type: none"> i) to assist residents of low-income households to reduce their energy consumption, or ii) to reduce energy consumption in housing owned or operated by <ul style="list-style-type: none"> A. a housing provider that is a local government, a society as defined in section 1 of the Societies Act, other than a member funded society as defined in section 190 of that Act, or an association as defined in section 1(1) of the Cooperative Association Act, B. Repealed C. the low-income households occupying the housing, D. a housing provider referred to in clause (A), E. Repealed 	The Low Income Program Area, as described in Section 5, outlines FEI’s plans to continue to offer programs that help low-income households and housing providers save energy.
b) if the plan portfolio is submitted on or after June 1, 2009, a demand-side measure intended specifically to improve the energy efficiency of rental accommodations;	FEI continues to offer the Rental Apartment Efficiency Program (RAP). As referenced in the Section 3, the RAP targets improving the energy efficiency of rental accommodations.
c) an education program for students enrolled in schools in the public utility’s service area. d) if the plan portfolio is submitted on or after June 1, 2009, an education program for students enrolled in post secondary institutions in the public utility’s service area;	Conservation Education and Outreach, as described in Section 7, includes the continuation of the School Education Program which includes programming for grade schools and post-secondary institutions in FEI’s service area.
e) one or more demand-side measures to provide resources as set out in paragraph (g) of the definition of “class A demand-side measure”, representing no less than <ul style="list-style-type: none"> i) an average of 1% of the public utility’s plan portfolio’s expenditures per year over the portfolio’s period of expenditures, or ii) an average of \$2 million per year over the portfolio’s period of expenditures; 	FEI’s DSM activities related to the codes and standards specified demand-side measure are considered enabling activities by FEI and are discussed in Section 9.
f) one or more demand-side measures intended to result in the adoption by local governments and first nations of a step.	Measures to support the BC Energy Step Code are included within the following programs as discussed in Sections 2, 3 and 9: <ul style="list-style-type: none"> • Residential New Home Program; • Commercial Performance Program – New Buildings; • Enabling Activities – Codes & Standards; and

DSM Regulation	Compliance Summary
	<ul style="list-style-type: none"> Enabling Activities – Community Energy Specialist Program
g) a demand-side measure intended specifically to reduce energy consumption in any of the following: <ul style="list-style-type: none"> i) housing owner or operated by an Indigenous governing body or located on reserve land; ii) a public building owned or operated by an Indigenous governing body. 	Section 6 describes the Indigenous Program Area, a separate program area that incorporates programming supporting Indigenous customers, including buildings owned by Indigenous governing bodies.

1.3 FUNDING TRANSFERS AND CARRYOVER

The Decision approved the continuance of FEI’s funding transfer and variance rules, where:

- FEI does not require approval to transfer funds into an approved program area;
- FEI requires approval to transfer funds greater than 25 percent out of a program area;
- There are no limits on how much one program area can gain;
- FEI is required to report on any transfers into and out of program areas in its DSM annual report to the BCUC; and
- The Innovative Technologies program area is included in the funding transfer rules for FEI.

The Decision also approved FEI’s request to carryover unspent and overspent expenditures in a Program Area to the same Program Area in the following year.

Table 1-5 below shows the 2025 DSM Plan Expenditures including carryover (as reported in FEI’s 2024 DSM Annual Report), the 2025 transfers between Program Areas, and the final unspent and overspent amounts from 2025 to be transferred to 2026. Detailed explanations of the actual expenditures for each of the Program Areas are provided in Sections 2 through 11 of the Report.

Table 1-5: Funding Transfers for 2025

Program Area	2025 Plan Expenditures (\$000) (including carryover)	2025 Actual Expenditures (\$000)	2025 Actual less Plan Expenditures (\$000) (including carryover)	2025 Funding Transfer Amount In (Out) (\$000)	Final Carryover	Transfer as a percent of Approved (%)
Residential	41,746	127,029	(85,284)	9,487	(75,797)	23%
Commercial	13,778	16,951	(3,173)	0	(3,173)	0%
Industrial	8,052	6,250	1,803	0	1,803	0%
Low Income	9,589	39,648	(30,060)	8,790	(21,270)	92%
Indigenous	4,718	3,930	788	(788)	0	-17%
Conservation Education and Outreach	16,115	12,212	3,903	(3,903)	0	-24%
Innovative Technologies	21,123	10,090	11,033	(5,350)	5,683	-25%
Enabling Activities	13,872	10,432	3,440	(3,440)	0	-25%
Portfolio Level Activities	4,731	5,354	(623)	0	(623)	0%
Legacy Expenditures	20,817	16,021	4,796	(4,796)	0	-23%
ALL PROGRAMS	154,541	247,917	(93,376)	0	(93,376)	

1 Table 1-6 provides the new 2026 Budget including final carryover amounts from Table 1-5. As
 2 shown in the table below, the actual expenditures in 2025 and resulting carryover have resulted
 3 in negative budgets for the Residential and Low Income Program Areas for 2026. As allowed for
 4 under the carryover rules, FEI can incur expenditures above this amount in 2026 and carry over
 5 those overspent expenditures to 2027. However, FEI is filing concurrently with this Report a
 6 request for incremental DSM expenditures for the remainder of the Plan period as a result of
 7 higher than expected demand for its DSM programming in 2025.

8 **Table 1-6: 2026 DSM Budget Including Carryover Amounts (\$000s)**

Program Area	2026 Plan (includes inflation)	2025 Carryover	2026 Budget (including carryover)
Residential	48,262	(75,797)	(27,535)
Commercial	17,798	(3,173)	14,625
Industrial	8,965	1,803	10,768
Low Income	11,826	(21,270)	(9,444)
Indigenous	5,481	0	5,481
Conservation Education and Outreach	15,435	0	15,435
Innovative Technologies	15,238	5,683	20,921
Enabling Activities	11,486	0	11,486
Portfolio Level Activities	5,506	(623)	4,883
Legacy Expenditures	8,401	0	8,401
ALL PROGRAMS	148,398	(93,376)	55,022

9
 10 **1.4 COLLABORATION & INTEGRATION**

11 FEI continues to work alongside BC's major energy utilities and other entities, including
 12 governments and industry associations, to integrate and improve DSM programming. The
 13 Company understands that such collaboration maximizes program efficiency and effectiveness.

14 In 2025, FEI, FortisBC Inc. (FBC), and British Columbia Hydro and Power Authority (BC Hydro)
 15 (collectively, the BC Utilities) continued to collaborate on various programs and projects to
 16 enhance utility integration, supporting government legislation, policies, and directives. This
 17 collaboration resulted in cost efficiencies, including streamlined application processes for
 18 customers, extended program reach, and consistent, unified messaging aimed at improving
 19 energy literacy.

20 Additionally, FEI worked with MECS on CleanBC initiatives, which included administering
 21 incentives and facilitating applications for CleanBC rebates through FEI's processes, ensuring a
 22 seamless customer experience, and collaborating to support quality assurance and industry
 23 capacity training for the Home Performance Stakeholder Council (HPSC). While details of
 24 collaborative activities are included in the Program Area sections, the tables throughout the
 25 Report reflect expenditure and savings information for FEI's expenditure portfolio only.

1 **1.5 ADDRESSING BCUC DIRECTIVES FROM ORDER G-31-24**

2 In its Decision and Order G-31-24 on the 2024-2027 DSM Plan, the Panel directed FEI to include
 3 specific information in FEI’s DSM annual reports regarding the Innovative Technology Program
 4 Area. FEI provides the directives below, and where the information can be found within the Report.

5 **Table 1-7: Order G-31-24 Directives**

Directive	Compliance
The Panel directs FEI to include in the Annual DSM Report the expenditures associated with each pilot and deep retrofit project listed within the Innovation Technologies program area.	Refer to Tables 8-3 and 8-4 in Section 8 of the Report.
For new measures that FEI transitions from the Innovative Technologies program area into main programs, the new measures’ forecast of cost-effectiveness, energy savings, GHG emission reduction and participation.	Refer to Section 8.5 of the Report.
For actual and forecast results on expenditures, energy savings, GHG emissions, participation and cost-effectiveness, a breakdown of results for those measures transitioned from the Innovative Technologies program into main program areas.	Refer to Section 8.5 of the Report.

6 **1.6 PORTFOLIO SUMMARY**

7 FEI’s DSM Portfolio met the goal of cost-effectiveness with a Portfolio UCT value of 1.6 in 2025.
 8 FEI believes that the energy savings reflected in the Portfolio and the resulting UCT are
 9 conservative and thus likely understated. In addition to the direct energy benefits accounted for
 10 in the UCT, benefits from additional activities, such as Conservation Education and Outreach
 11 (CEO) and Enabling Activities play an important role in supporting the development and delivery
 12 of programs, while helping facilitate market transformation in British Columbia. FEI continues to
 13 develop and maintain strong, collaborative relationships with other BC utilities, government
 14 partners, and key market stakeholders to provide its portfolio of DSM programs.

2. RESIDENTIAL PROGRAM AREA

2.1 OVERVIEW

The Residential Program Area consists of two programs:

- Home Renovation Program; and
- New Home Program.

Tables 2-1 and 2-2 summarize the planned and actual expenditures and savings for the Residential Program Area.

Table 2-1: 2025 Residential Program Area Results Summary – Expenditures

Program	Utility Expenditures (\$000s)				Total Expenditures (including carryover)	
	Incentives		Non-Incentives		2025 Plan	2025 Actual
	2025 Plan	2025 Actual	2025 Plan	2025 Actual		
Home Renovation Program	34,165	115,518	795	216	34,961	115,734
New Home Program	3,702	9,412	696	11	4,398	9,422
Labour	-	-	2,322	1,868	2,322	1,868
Non-Program Specific Expenses	-	-	64	5	64	5
ALL PROGRAMS	37,868	124,930	3,878	2,100	41,746	127,029

Table 2-2: 2025 Residential Program Area Results Summary – Savings

Program	Incremental Annual Gas Savings, Net (GJ)		Benefit/Cost Ratios
	2025 Plan	2025 Actual	UCT
Home Renovation Program	176,678	322,239	1.4
New Home Program	11,080	21,784	1.7
Labour	Savings not estimated		Savings not estimated
Non-Program Specific Expenses	Savings not estimated		Savings not estimated
ALL PROGRAMS	187,758	344,023	1.4

2.2 HOME RENOVATION PROGRAM

The Home Renovation Program (HRR) encourages customers to take a whole home approach to their energy efficiency upgrades by consolidating rebates for space heating, water heating, and building envelope measures into one overarching program. This Program is a collaboration between the BC Utilities.

Retail offers directed towards the home renovation segment are included in this Program. FEI collaborates with FBC, BC Hydro, retailers, and distributors to offer point-of-sale incentives on several low-cost and easy to install measures such as draft proofing, water savers and connected thermostats.

1 The following are key updates for the Program in 2025:

- 2 • The Program achieved 331 percent of Plan expenditures and 182 percent of Plan energy
3 savings. Expenditures and energy savings did not increase proportionally, as
4 achievements beyond Plan were driven by dual fuel hybrid system participation which had
5 a higher rebate value than other high participation measures such as point-of-sale retail
6 incentives including draft proofing and water savers, appliance maintenance, and
7 windows. Participation for dual fuel systems was higher than anticipated, and while actions
8 were taken to limit the overspend, it was challenging to implement changes quickly enough
9 to address the rapid growth in market adoption and significant number of customer
10 commitments that were being made. The rebate was reduced from \$10,000 to \$5,000 in
11 May 2025, and while participation decreased there was still strong market interest in the
12 rebate and it was discontinued in December 2025 due to oversubscription.
- 13 • 2025 retail results remained consistent with the prior year, with connected thermostats
14 accounting for most of the energy savings. FEI also continued to co-deliver and co-fund
15 water saving retail instant rebates with BC Hydro, providing more than 9,500 incentives.

16 **2.3 NEW HOME PROGRAM**

17 The New Home Program aligns with and provides incentives for the tiers of the BC Energy Step
18 Code for Part 9 Buildings, as per Section 3 of the DSM Regulation.⁴ FEI provides incentives for
19 builders who adopt and comply with the Energy Step Code in municipalities across BC. FEI, in
20 partnership with FBC, supports local governments in their adoption of the Step Code as part of
21 an ongoing initiative for market transformation to high performance homes.

22 The following are key updates for the Program in 2025:

- 23 • The Program achieved 214 percent of Plan expenditures and 197 percent of Plan energy
24 savings. Participation in the New Home Program continues to grow as it becomes
25 increasingly established in the market, supported by ongoing outreach and engagement
26 efforts across the province.
- 27 • Energy Step 4 remains the dominant source of Program results, and builders consistently
28 highlight the importance of FEI's support in achieving higher Step Code levels, particularly
29 given rising construction costs and market uncertainty. FEI managed higher than
30 anticipated participation through budget transfers and carryovers given the Program's
31 importance to stakeholders.
- 32 • To further strengthen Program visibility and industry readiness, FEI continues to
33 collaborate with key stakeholders, including Regional Home Builder's Associations, home
34 builders, the HVAC community, and the Canadian Association of Consulting Energy

⁴ Includes expenditures as per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 3(1)(f), amended June 30, 2023.*

1 Advisors to promote the Program and deliver education to builders and energy advisors
2 in support of high-performance home construction across BC.

3 **2.4 SUMMARY**

4 Overall, the Residential Program Area achieved 183 percent of Plan energy savings and 306
5 percent of Plan expenditures for a total investment of \$127 million. 98 percent of total expenditures
6 was incentive spending. The variance between achieved and planned savings reflects higher than
7 anticipated participation in both the Home Renovation Program and the relaunched New Home
8 Program, driven by strong market uptake of dual fuel hybrid systems and increased engagement
9 from builders. Overall, participation in residential programs resulted in over 344 thousand GJ/year
10 of natural gas savings.

3. COMMERCIAL PROGRAM AREA

3.1 OVERVIEW

The Commercial Program Area consists of four programs:

- Prescriptive Program;
- Performance Program – Existing Buildings;
- Performance Program – New Buildings; and
- Rental Apartment Efficiency Program.

Tables 3-1 and 3-2 summarize the planned and actual expenditures and savings for the Commercial Program Area.

Table 3-1: 2025 Commercial Program Area Results Summary – Expenditures

Program	Utility Expenditures (\$000s)					
	Incentives		Non-Incentives		Total Expenditures (including carryover)	
	2025 Plan	2025 Actual	2025 Plan	2025 Actual	2025 Plan	2025 Actual
Prescriptive Program	2,521	6,612	564	438	3,085	7,051
Performance - Existing Buildings	6,885	6,491	111	78	6,996	6,569
Performance - New Buildings	-	-	166	132	166	132
Rental Apartment Efficiency Program	392	746	442	51	835	797
Labour	-	-	1,879	2,360	1,879	2,360
Non-Program Specific Expenses	-	-	819	43	819	43
ALL PROGRAMS	9,798	13,849	3,980	3,102	13,778	16,951

Table 3-2: 2025 Commercial Program Area Results Summary – Savings

Program	Incremental Annual Gas Savings, Net (GJ)		Benefit/Cost Ratios
	2025 Plan	2025 Actual	UCT
Prescriptive Program	54,351	89,261	4.5
Performance - Existing Buildings	69,564	129,331	5.7
Performance - New Buildings	Savings not estimated		Savings not estimated
Rental Apartment Efficiency Program	14,407	14,347	3.6
Labour	Savings not estimated		Savings not estimated
Non-Program Specific Expenses	Savings not estimated		Savings not estimated
ALL PROGRAMS	138,322	232,939	4.8

3.2 PRESCRIPTIVE PROGRAM

The Prescriptive Program offers rebates for the purchase and installation of specific qualifying measures. All such rebates conform to a simple archetype: market participants are informed of

1 the fixed rebate amounts, qualifying measures are installed at a customer's location, and the
2 rebates are provided to reduce the capital cost of the higher efficiency measures. Some rebates
3 may be delivered directly to the end user, whereas other rebates are provided through a point-of-
4 sale partner, such as a product supplier.

5 The following are key updates for the Program in 2025:

- 6 • The Program achieved 229 percent of planned expenditures and 164 percent of planned
7 savings.
- 8 • Expenditures and savings were driven by the dual fuel rooftop unit (RTU) offer. This higher
9 than anticipated uptake was driven by rapid market interest and accelerated technology
10 adoption.
- 11 • The gas absorption heat pump offer had higher than anticipated participation due to
12 growing confidence in the technology.
- 13 • Expenditures and savings were also increased by the launch of a new midstream offer for
14 foodservice equipment in May 2025, and a new HVAC and building controls offer in
15 November 2025.

16 **3.3 PERFORMANCE PROGRAM – EXISTING BUILDINGS**

17 The Performance Program – Existing Buildings provides incentives to encourage commercial
18 customers to identify, assess, and implement custom building energy-efficiency projects for
19 existing buildings.

20 The commercial retrofit offer in the Performance Program provides incentives for customers to
21 engage a qualified energy consultant to study potential building-scale natural gas energy
22 efficiency opportunities. Incentives are also available to encourage the implementation of cost
23 effective measures. The Continuous Optimization offer is administered jointly with FBC and BC
24 Hydro to provide a one-stop program for customers to evaluate no cost, low cost, and
25 recommissioning opportunities. FEI staff also provide technical and engineering support,
26 customer outreach and engagement for the Performance Program – Existing Buildings. Under
27 the Program, smaller commercial customers are also provided with energy assessments and
28 customers with a portfolio of buildings can take advantage of portfolio-wide energy studies.

29 The following are key updates for the Program in 2025:

- 30 • Program expenditures achieved 94 percent of Plan and savings achieved 186 percent of
31 Plan.
- 32 • Customers continue to be interested in energy efficiency projects which is contributing to
33 strong participation and energy savings. High consultant engagement and increased
34 outreach to large customers in recent years also contributed to strong performance in
35 2025.

- 1 • The Commercial Energy Assessment and Continuous Optimization offers continue to see
2 strong participation and savings due to increased interest in building optimization, offer
3 updates and energy efficiency opportunities.

4 **3.4 PERFORMANCE PROGRAM – NEW BUILDINGS**

5 The Performance Program – New Buildings encourages the design of high-performance
6 commercial buildings. Capital incentives are available for customers that design new buildings
7 that exceed the BC Building Code. This Program includes support for large commercial new
8 construction, which is centred on encouraging the integration of the BC Energy Step Code
9 objectives into the design of high-performance commercial buildings, while also allowing for a
10 more prescriptive pathway.

11 The following are key updates for the Program in 2025:

- 12 • Due to the significant upfront planning required in the construction process of new, high-
13 performance commercial buildings, participation and incentives for new construction were
14 committed incentives from prior years. These participants and incentives are captured in
15 Section 11, Legacy Expenditures.
- 16 • An updated Performance Program – New Buildings launched in August 2025 in response
17 to the 2023 BC Building Code update, which raised the required energy performance level
18 of most Part 3 buildings to Step 2 of the BC Energy Step Code, and front-runner
19 municipalities that are adopting even higher minimum standards in their communities. To
20 address these higher standards, the updated Performance Program – New Buildings
21 provides incentives for eligible Part 3 buildings that achieve the highest step available for
22 each major occupancy classification within the building. Onboarding of eligible participants
23 commenced in the fourth quarter of 2025.

24 **3.5 RENTAL APARTMENT EFFICIENCY PROGRAM (RAP)**

25 The Rental Apartment Efficiency Program (RAP), in collaboration with FBC, provides energy
26 assessments and the direct installation of in-suite measures, such as low-flow showerheads and
27 faucet aerators in purpose-built rental buildings, hotels and motels, and private retirement and
28 care homes.

29 The following are key updates for the Program in 2025:

- 30 • The Program expenditures achieved 95 percent of Plan, and savings achieved 100
31 percent of Plan.
- 32 • Program activity remained steady due to strong customer engagement and the
33 introduction of two new direct install measures – pipe insulation and Domestic Hot Water
34 (DHW) recirculation controls.

- 1 • Lower than planned non-incentive costs were the result of lower-than-expected costs to
2 manage and operate the Program.

3 **3.6 SUMMARY**

4 Overall, the Commercial Program Area achieved 123 percent of total planned expenditures for a
5 total expenditure of \$16.951 million and realized 168 percent of Plan savings. 82 percent of the
6 total expenditures was incentive spending. The difference between achieved and planned savings
7 can be attributed to increased participation in the Performance Program – Existing Buildings and
8 the prescriptive dual fuel RTU offer. Overall, the participation in commercial programs resulted in
9 over 232 thousand GJ/year of natural gas savings.

4. INDUSTRIAL PROGRAM AREA

4.1 OVERVIEW

The Industrial Program Area consists of two programs:

- Prescriptive Program; and
- Performance Program.

Tables 4-1 and 4-2 summarize the planned and actual expenditures and savings for the Industrial Program Area.

Table 4-1: 2025 Industrial Program Area Results Summary – Expenditures

Program	Utility Expenditures (\$000s)				Total Expenditures (including carryover)	
	Incentives		Non-Incentives		2025 Plan	2025 Actual
	2025 Plan	2025 Actual	2025 Plan	2025 Actual		
Prescriptive Program	1,614	2,547	340	42	1,954	2,589
Performance Program	5,315	3,046	83	21	5,398	3,067
Labour	-	-	491	594	491	594
Non-Program Specific Expenses	-	-	210	-	210	-
ALL PROGRAMS	6,929	5,593	1,124	657	8,052	6,250

Table 4-2: 2025 Industrial Program Area Results Summary – Savings

Program	Incremental Annual Gas Savings, Net (GJ)		Benefit/Cost Ratios
	2025 Plan	2025 Actual	UCT
Prescriptive Program	104,990	89,588	11.1
Performance Program	289,560	364,125	5.4
Labour	Savings not estimated		Savings not estimated
Non-Program Specific Expenses	Savings not estimated		Savings not estimated
ALL PROGRAMS	394,550	453,713	7.9

4.2 PRESCRIPTIVE PROGRAM

The Prescriptive Program includes fixed incentives for the purchase and installation of specific qualifying industrial measures where the savings are well understood, and their installation is not typically part of a larger, more complex upgrade. Examples of such measures include air curtains, steam traps, and pipe insulation. Program delivery is adapted to the specific nature of both the measures and the target markets. For example, some rebates may be delivered directly to the end user, whereas other rebates may be delivered to the end user through midstream market actors, such as a product supplier. Communication materials and channels are adapted to suit the different target markets.

1 The following are key updates for the Program in 2025:

- 2 • The Program achieved 132 percent of Plan expenditures and 85 percent of Plan savings.
- 3 • Savings and expenditures were driven by continued strong adoption in thermal curtains
- 4 and infrared heaters.
- 5 • Overall savings were lower than expected due to high participation in the infrared heaters
- 6 offer, which has relatively lower savings.

7 **4.3 PERFORMANCE PROGRAM**

8 The Performance Program provides incentives to encourage customers to identify, assess and
9 implement measures that use energy for process-related activities. It provides customers with a
10 one-stop program in the FBC/FEI shared service territory and FEI-only service areas to evaluate
11 and implement industrial energy efficiency projects. FEI staff and external consultants provide
12 customer outreach and engagement for the Performance Program. It offers funding for plant-wide
13 audits, feasibility studies, implementation, and Strategic Energy Management (SEM) incentives.

14 The following are key updates for the Program in 2025:

- 15 • The Program achieved 57 percent of Plan expenditures and 126 percent of Plan savings.
- 16 • Several industrial capital projects experienced delays due to extended material lead times,
- 17 elevated project costs, and broader geopolitical factors affecting supply-chain reliability.
- 18 These external conditions contributed to fewer project completions in 2025.
- 19 • The SEM program experienced strong customer participation. The active involvement of
- 20 SEM consultants facilitated the completion of several significant projects at participating
- 21 sites, resulting in combined energy savings that contributed significantly to the 2025
- 22 results.

23 **4.4 SUMMARY**

24 Overall, the Industrial Program Area achieved 78 percent of planned expenditures for total
25 expenditures of \$6.250 million and achieved 115 percent of planned savings. Incentive spending
26 comprised 89 percent of the total expenditures. Better than planned savings and expenditures
27 are attributed to strong performance in the SEM program and high participation in Prescriptive
28 Programs. The participation in industrial programs resulted in over 453 thousand GJ/year of
29 natural gas savings.

5. LOW INCOME PROGRAM AREA

5.1 OVERVIEW

This program area focuses on creating energy saving opportunities for low income customers by offering programs they can apply to directly, as well as programs that support charities and non-profit housing providers, including co-ops. The program area is subject to cost-effectiveness requirements in Section 4 of the DSM Regulation as a class A measure.⁵

The Low Income Program Area consists of four programs:

- Self Install Program;
- Direct Install Program;
- Prescriptive Program; and
- Support Program.

Tables 5-1 and 5-2 summarize the planned and actual expenditures and savings for the Low Income Program Area.

Table 5-1: 2025 Low Income Program Area Results Summary – Expenditures

Program	Utility Expenditures (\$000s)					
	Incentives		Non-Incentives		Total Expenditures (including carryover)	
	2025 Plan	2025 Actual	2025 Plan	2025 Actual	2025 Plan	2025 Actual
Self Install Program	595	216	146	29	741	245
Direct Install Program	4,365	1,511	849	326	5,215	1,837
Prescriptive Program	2,434	36,575	103	22	2,537	36,596
Support Program	-	-	199	29	199	29
Labour	-	-	843	896	843	896
Non-Program Specific Expenses	-	-	54	45	54	45
ALL PROGRAMS	7,394	38,301	2,194	1,348	9,589	39,648

⁵ As per BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 4(4), amended June 30, 2023.

1 **Table 5-2: 2025 Low Income Program Area Results Summary – Savings**

Program	Incremental Annual Gas Savings, Net (GJ)	
	2025 Plan	2025 Actual
Self Install Program	27,768	10,284
Direct Install Program	15,577	4,925
Prescriptive Program	13,647	71,577
Support Program	Savings not estimated	
Labour	Savings not estimated	
Non-Program Specific Expenses	Savings not estimated	
ALL PROGRAMS	56,992	86,785

2
 3 **5.2 SELF INSTALL PROGRAM**

4 The Self Install Program provides participants with an Energy Savings Kit (ESK) that includes
 5 energy saving measures along with an installation instruction booklet and directions to access
 6 online “how to” videos. All measures are easy to install and participants install them themselves.
 7 The Self Install Program is a partnership program with FBC and BC Hydro.

8 The following are key updates for the Program in 2025:

- 9 • The Program achieved 33 percent of Plan expenditures and 37 percent of GJ savings.
- 10 • The Program was impacted by the uncertainty leading up to the postal strike during the
 11 heating season which is generally a time when participation increases as energy efficiency
 12 is top of mind.
- 13 • FEI invested in marketing and communications initiatives to support Program participation,
 14 including a joint campaign that launched in November; however, the effectiveness of the
 15 initiatives was impacted by the overlapping timing with the postal strike. FEI continued to
 16 leverage partnerships with local food banks and senior’s centres to distribute kits directly
 17 to customers in communities throughout the province.

18 **5.3 DIRECT INSTALL PROGRAM**

19 The Direct Install Program provides an in-home visit from a Program contractor to assess a
 20 participant’s home energy efficiency, install basic measures (e.g., LED lighting, low-flow
 21 showerheads, etc.) and provide customized energy efficiency coaching. Additionally, some
 22 participants qualify to receive more robust measures based on the home’s specific eligibility and
 23 may include draft-proofing, ventilation, and insulation. Partners in the Direct Install Program
 24 include FBC and BC Hydro.

1 The following are key updates for the Program in 2025:

- 2 • The Program achieved 35 percent of planned expenditures and 32 percent of planned
3 energy savings.
- 4 • In 2025, the Program advanced several initiatives, including two joint Request for
5 Proposals (RFP) to select program delivery vendors and an outreach and community
6 engagement vendor.
- 7 • The Program focused efforts on implementing several changes including shifting eligibility
8 solely to individual low income customers, refining the Program to prioritize higher energy
9 savings measures, and introducing dual fuel systems to support its future integration as a
10 standard offering. These changes were designed to enable deeper energy savings for
11 participants.
- 12 • The introduction of dual fuel systems did not advance at the rate anticipated and did not
13 offset the gap left by the removal of the furnace offering. This contributed to the Program
14 performing below Plan.

15 **5.4 PRESCRIPTIVE PROGRAM**

16 The Prescriptive Program provides rebates, implementation support and funding for energy
17 studies. Prescriptive rebates are available for residential and commercial (such as community
18 housing apartment buildings) measures such as thermostats, insulation, ventilation, gas
19 absorption heat pumps, and dual fuel systems.

20 The following are key updates for the Program in 2025:

- 21 • The Program achieved 1,442 percent of planned expenditures and 524 percent of planned
22 savings. The Prescriptive Program experienced significantly higher than expected
23 demand for low income residential rebates and participation in 2025 was reflective of the
24 demand. In addition to the significant uptake of the dual fuel system rebate, participation
25 also exceeded targets for insulation, ventilation, windows and doors, water heaters, and
26 thermostats.
- 27 • While both expenditures and savings targets were exceeded, total energy savings did not
28 rise proportionally because savings were predominantly driven by residential rebate
29 participation while commercial rebate participation was less than anticipated. Residential
30 measures generally yield lower energy savings than commercial measures per dollar
31 invested, leading to higher overall expenditures per GJ saved.
- 32 • The dual fuel rebate for residential low income customers was discontinued in May 2025,
33 and remaining rebates including insulation, ventilation, windows, doors, water heaters,
34 and thermostats were discontinued in December 2025 due to oversubscription.

1 **5.5 SUPPORT PROGRAM**

2 The Support Program provides funding for training and educational opportunities to enhance
3 energy efficiency retrofit skills for people who experience barriers to employment.

4 The following are key updates for the Program in 2025:

5 • FEI did not deploy the Residential Energy Efficiency Works (REnEW) outside of the one
6 session completed with an Indigenous Community, and that investment is represented
7 under the Indigenous Program Area.

8 • The Low Income Support Program investment was focused on enhancing the educational
9 content and exploring future delivery enhancements to ensure the offer remains impactful
10 for participants and host communities. Program changes, including supporting longer-term
11 education with a post-secondary institution and facilitating part-time participation, will be
12 implemented in 2026.

13 **5.6 SUMMARY**

14 Overall, the Low Income Program Area achieved 413 percent of planned expenditures for a total
15 expenditure of \$39.648 million. Greater than expected demand for the dual fuel system and other
16 residential rebates for low income customers were the main driver. Overall, participation in Low
17 Income Programs resulted in achieving 152 percent of planned energy savings for a total of over
18 86 thousand GJ/year of natural gas savings.

6. INDIGENOUS PROGRAM AREA

6.1 OVERVIEW

Collaborating with Indigenous communities, FEI supports improvements for existing buildings and new construction. Program design and eligible measures are based upon non-Indigenous retrofit and new construction program eligibility criteria with enhanced rebates and modified application processes and marketing approaches. FEI also supports community outreach and education, and capacity building and training for energy efficiency construction and building maintenance within communities.

The Indigenous Program Area consists of five programs:

- Direct Install Program;
- Prescriptive Program;
- Performance Program;
- Conservation Education and Outreach Program; and
- Community Energy Specialist.

Tables 6-1 and 6-2 summarize the planned and actual expenditures and savings for the Indigenous Program Area.

Table 6-1: 2025 Indigenous Program Area Results Summary – Expenditures

Program	Utility Expenditures (\$000s)					
	Incentives		Non-Incentives		Total Expenditures (including carryover)	
	2025 Plan	2025 Actual	2025 Plan	2025 Actual	2025 Plan	2025 Actual
Direct Install	80	3	6	-	86	3
Prescriptive	2,299	2,074	59	284	2,358	2,358
Performance	1,146	187	59	5	1,205	192
Conservation Education and Outreach	-	-	23	336	23	336
Community Energy Specialist	611	314	14	1	625	315
Labour	-	-	408	712	408	712
Non-Program Specific Expenditures	-	-	12	15	12	15
ALL PROGRAMS	4,136	2,578	582	1,352	4,718	3,930

1 **Table 6-2: 2025 Indigenous Program Area Results Summary – Savings**

Program	Incremental Annual Gas Savings, Net (GJ)	
	2025 Plan	2025 Actual
Direct Install	202	84
Prescriptive	10,892	3,076
Performance	11,143	315
Conservation Education and Outreach	Savings not estimated	
Community Energy Specialist	Savings not estimated	
Labour	Savings not estimated	
Non-Program Specific Expenditures	Savings not estimated	
ALL PROGRAMS	22,237	3,475

2

3 **6.2 DIRECT INSTALL PROGRAM**

4 The Indigenous Direct Install Program is modelled after the Low Income Direct Install Program. It
 5 is delivered in partnership with BC Hydro and FBC.

6 The following are key updates for the Program in 2025:

- 7 • The Program achieved less than 4 percent of planned participation. This is due to the
 8 growing preference for self-directed programs that allow communities to decide when to
 9 perform the work, what work is completed, and who will perform the installations. The
 10 achieved energy savings were 42 percent of planned savings. Although below Plan, the
 11 savings are markedly higher than Program participation levels. This is due to the
 12 installation of very cost-effective measures, including showerheads and faucet aerators.

13 **6.3 PRESCRIPTIVE PROGRAM**

14 The Prescriptive Program has enhanced value rebates to support building envelope, space, and
 15 water heating improvements. This includes ventilation and health and safety rebates to encourage
 16 a house-as-a-system approach and to facilitate energy efficiency upgrades. The Program
 17 supports community housing departments in residential and commercial applications.

18 The following are key updates for the Program in 2025:

- 19 • The Program achieved 100 percent of planned expenditures and 28 percent of planned
 20 energy savings. The lower than Plan savings are at least partially due to the uptake of
 21 health and safety measures that are important for a house-as-a-system approach but do
 22 not result in energy savings.

- 1 • Participation and incentive expenditures were driven by the appliance maintenance, dual
2 fuel heating system and condensing gas water heater measures. Comprehensive
3 measures such as insulation and other building envelope measures had less than planned
4 participation.
- 5 • A key focus in 2025 was the continued investment of time and resources working
6 collaboratively with MECS and BC Hydro to consolidate and launch the Indigenous
7 residential Prescriptive Program. The restructured program offers one collaborative
8 program which reduces market complexity, better meets customer needs, streamlines the
9 application process and encourages increased participation. Since the Program's launch
10 in mid-2025, it has experienced significant interest and participation.

11 **6.4 PERFORMANCE PROGRAM**

12 The Performance Program serves both new and existing buildings in residential and commercial
13 sectors. For existing buildings, FEI provides support to identify, assess, and implement building
14 energy efficiency projects. For new buildings, the offer is designed to encourage integration of the
15 BC Energy Step Code (Steps 3, 4 and 5) objectives and includes the Integrated Design Process,
16 enhanced rebates, and energy advisor support.

17 The following are key updates for the Program in 2025:

- 18 • Participation in 2025 was driven primarily by Step 3 homes and reflects the importance of
19 allowing Step 3 to be offered to Indigenous communities to become familiar with the BC
20 Energy Step Code and encourage higher efficiency building practices than are required
21 by the Federal Building Code, which is the construction baseline for on-reserve homes.
- 22 • The Program achieved 16 percent of planned expenditures. The lower than planned
23 expenditures reflect a lack of Energy Step Code awareness.

24 **6.5 CONSERVATION EDUCATION AND OUTREACH PROGRAM**

25 The Conservation Education and Outreach Program provides funding support for community
26 energy planning, community engagement and outreach, and educational support for energy
27 efficiency construction training. The Program provides important peripheral support to Indigenous
28 community and education programs that help reduce or remove barriers faced by Indigenous
29 communities when trying to participate in energy efficiency programs.

30 The following are key updates for the Program in 2025:

- 31 • The expenditure in 2025 was higher than expected as some activities, which were initially
32 planned under the portfolio Conservation Education and Outreach Initiatives Program
33 Area, were reported here to better reflect the customers served by the activities. These

1 expenditures are being recorded in the Indigenous Program Area for better alignment and
2 reporting clarity.

3 **6.6 COMMUNITY ENERGY SPECIALIST PROGRAM**

4 The Community Energy Specialist Program provides funding support for a dedicated employee
5 and/or other resources and capacity support to help communities facilitate efficiency
6 improvements in buildings, policy development, and ultimately to reduce emissions.

7 The following are key updates for the Program in 2025:

- 8 • The Indigenous Community Energy Specialist Program achieved 50 percent of Plan
9 expenditures. This investment supported seven Indigenous Governing Bodies and
10 supporting organizations in improving or implementing energy efficiency, emissions
11 reductions and policy development within Indigenous communities. Across those
12 organizations, the Program funded a total of eight positions. The Plan had anticipated a
13 higher number of positions; however, Indigenous Governing Bodies have found it difficult
14 to find appropriate personnel and retain them.

15 **6.7 SUMMARY**

16 The Indigenous Program Area achieved 83 percent of total planned expenditures. The Indigenous
17 Program Area is a complex area to administer and requires extensive focus on building trusting
18 relationships in communities and longer-term capacity building. While participation in some
19 Program Areas was lower than planned in 2025, a great deal of effort was put into supporting
20 enabling activities through the Community Energy Specialist Program and the Conservation
21 Education and Outreach Program. These areas help to enable future work within Indigenous
22 communities by reducing barriers to participation (e.g., increasing energy efficiency knowledge,
23 supporting roles within communities to focus on energy efficiency, etc.). This investment,
24 alongside the collaborative program development efforts between FEI, BC Hydro and MECS, is
25 anticipated to encourage participation by making it easier to navigate funding opportunities and
26 eliminate past barriers such as program confusion and misalignment.

7. CONSERVATION EDUCATION AND OUTREACH

7.1 OVERVIEW

The Conservation Education and Outreach (CEO) Program Area provides education about energy conservation and efficiency, as well as non-program specific outreach communications and engagement. This Program Area fosters a culture of conservation within the province by providing education to a broad range of customers and stakeholders, including hard-to-reach residential and commercial customers, and students. The goal of these programs is to inform customers on how to conserve energy (behaviour change) and to educate about energy conservation, efficiency and incentive programs. The CEO includes the following programs:

- Residential Education Program;
- Customer Engagement Tool;
- Commercial Education Program; and
- School Education Program.

Tables 7-1 and 7-2 summarize the planned and actual expenditures and savings for the CEO initiatives.

Table 7-1: 2025 CEO Program Area Results Summary – Expenditures

Program	Utility Expenditures (\$000s)			
	Non-Incentives		Total Expenditures (including carryover)	
	2025 Plan	2025 Actual	2025 Plan	2025 Actual
Residential Education Program	4,054	4,698	4,054	4,698
Customer Engagement Tool	5,424	2,922	5,424	2,922
Commercial Education Program	1,841	1,141	1,841	1,141
School Education Program	1,266	1,047	1,266	1,047
Labour	3,474	2,404	3,474	2,404
Non-Program Specific Expenses	57	-	57	-
ALL PROGRAMS	16,115	12,212	16,115	12,212

1 **Table 7-2: 2025 CEO Program Area Results Summary – Savings**

Program	Incremental Annual Gas Savings, Net (GJ)	
	2025 Plan	2025 Actual
Residential Education Program	Savings not estimated	
Customer Engagement Tool	30,000	110,127
Commercial Education Program	Savings not estimated	
School Education Program	Savings not estimated	
Labour	Savings not estimated	
Non-Program Specific Expenses	Savings not estimated	
ALL PROGRAMS	30,000	110,127

2

3 **7.2 RESIDENTIAL EDUCATION PROGRAM**

4 The Residential Education Program provides residential customers and the broader public with
 5 information on gas conservation and energy literacy through a combination of direct engagement,
 6 online tools, and general public marketing and advertising campaigns. Outreach activities –
 7 including face-to-face interactions, digital engagement, educational seminars, and participation in
 8 home shows and community events – are designed to reach a wide range of audiences, including
 9 low-income and multilingual customers. Ongoing partnerships with regional districts,
 10 municipalities, social service organizations, and local sports organizations further expand
 11 opportunities to connect with residential customers across the province.

12 Promotional efforts include multimedia rebate awareness and education campaigns, as well as
 13 targeted engagement initiatives aimed at increasing conservation awareness and program
 14 participation. The Program also covers the development and production of educational and
 15 marketing materials, along with audience-engagement incentives such as draft-proofing kits used
 16 at events that interact directly with residential customers.

17 The following are key updates for the Program in 2025:

- 18 • Higher than anticipated expenditures are attributed to an increase in paid media for 2025
 19 to ensure a sustained presence in market.
- 20 • FEI continued to partner with Empower Me, focusing on income-qualified non-English
 21 speaking customers, driving participation in the Company’s income qualified programs.
 22 Participants also learned about their utility bills, safety, and behaviour change initiatives
 23 to help them save energy and money.
- 24 • FEI continued with the “We’ve got Rebates” general awareness campaign, driving
 25 participation in its rebate programs.

- 1 • FEI and FBC maintained their commitment to direct customer engagement by participating
2 in over 160 events across the province. During these events, more than 21 thousand
3 meaningful conversations were conducted, focusing on energy literacy, conservation,
4 efficiency, affordability and rebate programs.

5 **7.3 CUSTOMER ENGAGEMENT TOOL PROGRAM**

6 The Customer Engagement Tool home energy reports help customers understand their energy
7 use in comparison to energy used by similar homes and encourages customers to reduce their
8 energy through actionable advice. The online portal “My Energy Use” offers a home assessment
9 survey that helps customers understand their energy consumption better. By completing the home
10 assessment survey, users receive a customized action plan tailored to their specific needs, which
11 can guide them in reducing their energy use more effectively.

12 The following are key updates for the Program in 2025:

- 13 • Lower than planned expenditures are due to not proceeding with further development of
14 the tool due to a Program overlap with an energy rating tool being developed externally
15 for BC residential homeowners, reducing the need for FEI to continue investing in similar
16 functionality. In addition, FEI chose not to pursue the proposed Virtual Energy Audit offer
17 after additional customer research indicated it would not deliver the expected value.
- 18 • FEI sent five home energy reports to approximately 120 thousand customers throughout
19 the year.

20 **7.4 COMMERCIAL EDUCATION PROGRAM**

21 The Commercial Education Program provides ongoing communication and education about
22 energy efficiency and conservation measures, as well as behavioural change educational
23 programming, to help commercial customers reduce their organization’s energy consumption.

24 Commercial Education includes small to large businesses in a variety of sub sectors such as
25 retail, offices, multi-family residences, schools, hospitals, hospitality services and municipal
26 institutions. Promotional activities include face-to-face engagement, print and online marketing,
27 and participation in industry association meetings and tradeshow. FEI and FBC also deliver the
28 Efficiency in Action Awards, which recognizes commercial customers and community
29 organizations for their innovation and leadership in energy efficiency and the gas savings
30 achieved. Additionally, FEI and FBC provide support for behavioral and technical education
31 campaigns delivered by energy specialists in their respective organization such as the Energy
32 Wise Network which is offered in partnership with BC Hydro. These initiatives also guide and
33 support energy specialists, thermal energy managers or energy/facilities managers in their
34 respective organizations or communities.

35 The following are key updates for the Program in 2025:

- 1 • FEI's partnership with BC Hydro continued in 2025. This collaboration included the Energy
2 Wise Network Program for commercial customers, which resulted in 39 behavior change
3 projects being submitted in 2025 (with a completion date of March 31, 2026).
- 4 • Lower than planned expenditures were due to the Commercial program area requiring
5 less communication support to sufficiently promote Commercial programs and education
6 messaging.

7 **7.5 SCHOOL EDUCATION PROGRAM**

8 The School Education Program includes the Live It Earth series, a Kindergarten to Grade 8
9 curriculum connected resource, and the assembly style presentation, Energy Champions, which
10 is currently delivered in collaboration with the BC Lions. A program for Grades 9 to 12, introduced
11 in partnership with Live It Earth, offered students practical experience in storytelling through film
12 and opportunities to engage with professionals from the energy efficiency sector. FEI and FBC
13 enjoy ongoing partnerships with post-secondary institutions and support additional energy
14 efficiency training for academic and trades training initiatives. This includes in-class programs,
15 on-campus education campaigns, instructional tool development, and education campaigns
16 delivered by energy specialists, thermal energy managers or energy/facilities managers.

17 The following are key updates for the Program in 2025:

- 18 • FEI and FBC sponsored curriculum-connected programs for grades Kindergarten to 9 that
19 focus on energy literacy, conservation, and efficiency. The Live It Earth series delivered
20 energy efficiency and conservation education to students in grades Kindergarten to 7
21 through an interactive online learning platform. Additionally, FEI partnered with Relay
22 Education to deliver interactive energy conservation-focused workshops for more than
23 2,000 students in grades 8 to 11, and to host "World of Energy" festivals that provided
24 programming on energy efficiency, conservation and sustainable energy sources for over
25 800 elementary school students.
- 26 • FEI and FBC supported the Climate Action Ripple Effect (CARE) initiative in Vernon and
27 the Central Okanagan school district. CARE engages teachers, students, and community
28 climate experts in creating student projects that align with UN Sustainable Development
29 Goals, including energy efficiency and conservation. In 2025, the initiative involved over
30 690 students, 34 teachers, and 155 community members and mentors, resulting in 33
31 projects focused on energy efficiency.
- 32 • FEI and FBC supported Geering Up Okanagan in delivering Science, Technology,
33 Engineering, and Math (STEM) programming with an emphasis on energy efficiency and
34 conservation for youth in grades 8 to 12 within several communities in BC's Southern
35 Interior. The initiative developed and delivered a range of activities, including workshops,
36 school events, camps, and professional development sessions for teachers. In total,
37 Geering Up programs reached 421 students and 20 educators.

- 1 • For students enrolled in post-secondary academic institutions, FEI, in collaboration with
2 FBC, delivered virtual presentations on DSM policies and programs in BC, as well as
3 employment opportunities within the energy management sector. Additionally, FEI and
4 FBC provided funding support to the British Columbia Institute of Technology (BCIT),
5 Okanagan College, and Selkirk College for hands-on training on high-performance
6 buildings and heating systems using a science based, envelope-first approach.
- 7 • Lower than planned expenditures resulted from a reduced scope for several of the planned
8 initiatives.

9 **7.6 SUMMARY**

10 The CEO Program Area continues to support the DSM Portfolio goals of energy conservation in
11 various ways. Several initiatives and campaigns were undertaken in 2025, positively influencing
12 customer attitudes about efficiency. Educating all types of customers and students remains a
13 priority. FEI is committed to ensuring that the information provided is relevant and timely.

14 FEI continued its collaboration with FBC in 2025 to maximize efficiencies across both utilities.
15 Costs continue to be shared on school, residential, and commercial outreach as applicable. FEI
16 remains focused on behavioral change opportunities and partnering with post-secondary
17 institutions to foster a culture of conservation in BC while driving program awareness and
18 participation.

8. INNOVATIVE TECHNOLOGIES PROGRAM AREA

8.1 OVERVIEW

The Innovative Technologies Program Area evaluates both pre-commercial and commercially available technologies and conducts pilot studies to validate manufacturers' claims related to equipment and system performance. The program area also assesses actual savings and customer acceptance of these newer technologies or systems of technologies. Technologies that successfully emerge from the Innovative Technologies Program Area are considered for inclusion within the applicable program areas within the larger C&EM portfolio. The Innovative Technologies Program is broken out into three core activities including:

- Technology Screening;
- Pilot Projects; and
- Deep Energy Retrofits (Deep Retrofits).

In 2025, expenditures were 48 percent of Plan. The expenditure variances are due to installation and construction delays for multiple pilot projects, supply chain delays due to tariff uncertainties, and the multi-year nature of several gas heat pump and Deep Retrofit initiatives.

Table 8-1 summarizes the planned and actual expenditures for the Innovative Technologies Program Area.

Table 8-1: 2025 Innovative Technologies Program Area Results Summary – Expenditures

Program	Utility Expenditures (\$000s)					
	Incentives		Non-Incentives		Total Expenditures (including carryover)	
	2025 Plan	2025 Actual	2025 Plan	2025 Actual	2025 Plan	2025 Actual
Deep Energy Retrofits	10,317	4,387	1,041	488	11,357	4,875
Pilots	6,040	2,721	290	516	6,331	3,237
Technology Screening Studies	305	183	526	142	831	325
Labour	-	-	2,035	1,170	2,035	1,170
Non-Program Specific Expenses	-	-	569	483	569	483
ALL PROGRAMS	16,662	7,291	4,461	2,799	21,123	10,090

8.2 TECHNOLOGY SCREENING STUDIES

Technology Screening assesses new energy efficient technologies. Activities include conducting prefeasibility studies, small demonstrations, or lab tests to understand the availability of the technology and the applicable codes and testing standards; estimate the current adoption rate; evaluate any technical barriers; gather measure assumption data; determine the target customers; and assess the market opportunity. The data is used to determine whether the technology meets the requirements of a technology innovation program

1 as defined in Section 1 of the DSM Regulation.⁶ Candidate technologies that do not pass the
 2 DSM screen are rejected; those that pass are considered further through the development of a
 3 pilot project if information gaps exist and can be incorporated into a sector program if the
 4 information gaps are filled.

5 The Technology Screening activity also incorporates the administration of the Gas Technology
 6 Demonstration Program. This program is offered to those participating in FEI’s Commercial and
 7 Community Energy Specialist Programs to conduct technology studies, demonstrations, and
 8 evaluation activities with funding support. Results of these activities are used to inform future
 9 DSM programs. Lastly, Technology Screening explores external research activities in
 10 collaboration with industry to support market transformation of energy efficient technologies
 11 across North America.

12 Table 8-2 outlines the specific Technology Screening Activities undertaken in 2025. Expenditure
 13 variances are attributable to cost efficiencies of existing studies and were reallocated to support
 14 increasing expenditures for pilot projects.

15 **Table 8-2: 2025 Technology Screening Activities**

Technology Screening Activity	Activity Description
Industrial Gas Absorption Heat Pump	The objective of this prefeasibility study was to identify the energy savings and non-energy benefits of high temperature gas absorption heat pumps for commercial and industrial settings. This study focuses on factors such as installation costs, operational efficiencies, maintenance requirements, and the overall return on investment. By assessing these aspects, the study provided a comprehensive overview of the potential benefits and challenges associated with high temperature gas absorption heat pumps, facilitating informed decision-making for future energy-saving initiatives. Study results were presented to the program teams in October 2025.
Prefabricated Panelized and Modular Building Envelope	The objective of this prefeasibility study was to identify the energy savings and non-energy benefits of Prefabricated Panelized and Modular Building Envelope for residential and commercial settings. This study focuses on factors such as installation costs, operational efficiencies, maintenance requirements, and the overall return on investment. By assessing these aspects, the study provided a comprehensive overview of the potential benefits and challenges associated with Prefabricated Panelized and Modular Building Envelope, facilitating informed decision-making for future energy-saving initiatives. Study results were presented to the program teams in December 2025 with a presentation being completed in early 2026.
Gas Heat Pump Lab Testing: Residential Gas Absorption Heat Pump	FEI provided funding for a residential gas heat pump manufacturer in partnership with the Gas Technology Institute to conduct efficiency and performance lab testing for a residential gas heat pump to support evaluation of the manufacturer’s new production model. Preliminary results were provided to the program areas in late 2024, with additional test results received in December 2025.

⁶ As per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 1 “technology innovation program”, as amended June 30, 2023.*

Technology Screening Activity	Activity Description
North American Gas Heat Pump Collaborative	FEI is a founding member of the North American Gas Heat Pump Collaborative. In 2025, FEI provided funding to support manufacturer engagement opportunities to advance gas heat pumps in the residential and commercial sector. Funding activities span across 2025 and are used to inform strategic communication and education strategies for contractors and customers to support the adoption of gas heat pump technologies.
Gas Technology Demonstration Pilot (“GTD”)	The Gas Technology Demonstration (GTD) pilot provides funding to those participating in FEI’s Commercial and Community Energy Specialist Programs to explore innovative technologies through three main offerings: (1) Technology Feasibility Study; (2) Technology Demonstration; and (3) Technology Measurement and Verification. In 2025, GTD provided incentives for a variety of innovative technologies including HRV, Quonset insulation, gas heat pumps, HVAC optimization tool, thermal energy audits and steam trap monitoring. GTD approved funding for three new applications in 2025, of which two are expected to be completed in 2026. 2025 Participants Total: 9 Expenditure: \$182,777

1 **8.3 PILOT PROJECT EXPENDITURES**

2 Pilot Projects gather actual field performance data of a technology in a customer’s home or
 3 business to verify customer acceptance, installation challenges, costs, and energy savings. This
 4 activity is supported by third-party measurement and verification following International
 5 Performance Measurement and Verification Protocols. The development and implementation
 6 of a typical pilot project for technologies that pass the Technology Screening generally takes
 7 one to three years, depending on the complexities of the pilot design, program controls and
 8 participation requirements. Results from pilot projects help support developing future DSM
 9 programs.

10 In 2025, FEI experienced strong participation in the gas heat pump pilots, notable engagement
 11 in the high speed door pilot, and continued measurement and verification activities for the pilots
 12 initiated in 2024. These pilots continued to generate performance data to inform future program
 13 considerations. Table 8-3 summarizes 2025 pilot activities, including participation and
 14 expenditures.

1

Table 8-3: 2025 Pilot Activities⁷

Pilot Activity	Pilot Description
Gas Demand Response Pilot	FEI extended the Peak Plan Pilot Program, a residential natural gas demand response pilot, for another winter season in 2025/2026 as the 2024/2025 winter season was too mild to yield sufficient results. The pilot aims to investigate whether gas demand response can reduce system capacity restraints, as well as reduce energy consumption and related GHG emissions during peak times. Results are expected in 2026.
	2025 Participants: 174 Expenditures: \$113,175
Commercial Gas Engine-driven Heat Pump Pilot	FEI is evaluating the energy savings, installation, and customer acceptance of a gas engine-driven heat pump for commercial customers which provides high-efficient space heating, cooling, ventilation, and domestic hot water. In 2023, FEI provided incentives to install these gas engine-driven heat pumps at four different sites within the Lower Mainland and Vancouver Island. Two additional sites in the Okanagan were added in 2024, increasing the total to six. The measurement and verification (M&V) period concluded in March 2025 for the first four sites and in September 2025 for the two additional sites. A final report was provided in November 2025 and is currently undergoing review.
	2025 Participants: 0 Expenditures: \$189,455
Gas Engine Heat Pump with Variable Refrigerant Flow	FEI is evaluating the energy savings, installation, and customer acceptance of a Gas Engine Heat Pump with variable refrigerant flow. This unit can provide simultaneous space heating and cooling. The objective of this pilot is to evaluate the system performance, energy consumption, GHG emissions reduction and customer acceptance of this technology. Four participants were recruited in 2024 with the commissioning of all the equipment finishing summer 2025. M&V will be ongoing until April 2026 and the final report is expected in May 2026.
	2025 Participants: 4 Expenditures: \$1,531,378
Residential Gas Absorption Heat Pump Pilot	FEI is evaluating the energy savings, installation, and customer acceptance of a production model of a gas absorption heat pump unit for residential space and water heating applications. M&V is ongoing with pilot results expected in 2026.
	2025 Participants: 0 Expenditures: \$159,930

⁷ Participant count values are populated based on the actual incentives released for the 2025 calendar year. The expenditures listed in each pilot do not include evaluation expenditures. The cost for evaluation in each pilot can be found in Appendix A-1.

Pilot Activity	Pilot Description
Residential Dual Fuel Hybrid Heating Early Adopter Offer - Phase 2	FEI is evaluating the energy savings, installation, and customer acceptance of dual fuel hybrid heating systems for residential customers which is a combination of an air source heat pump with a natural gas furnace with integrated controls. In this pilot, FEI provided incentives to participants throughout the province to install new dual fuel hybrid heating systems in their homes. The objective of the pilot is to evaluate the seasonal system coefficient of performance (SCOP), energy consumption, GHG emissions reduction and customer acceptance of this technology. The M&V period was extended until April 2026.
	2025 Participants: 0 Expenditures: \$97,539
Dual Fuel Combination System	FEI is evaluating the energy savings, installation, and customer acceptance of a dual fuel combi system. This unit can provide space heating, cooling and domestic hot water services to residential customers and can use both electricity and gas simultaneously. The objective of this pilot is to evaluate the system performance, energy consumption, GHG emissions reduction and customer acceptance of this technology. M&V is ongoing through the 2026 heating season. 2025 Participants: 0 Expenditures: \$328,738
Gas Absorption Heat Pump for Large Homes	FEI is evaluating the energy savings, installation, and customer acceptance of a gas absorption heat pump technology for single-family homes that have a floor area of more than 3,500 square feet. The objective of this pilot is to evaluate the system performance, energy consumption, GHG emissions reduction and customer acceptance of this technology. M&V is ongoing through the 2026 heating season.
	2025 Participants: 0 Expenditures: \$334,494
GAHP Plus Pilot	FEI is evaluating the energy savings, installation and customer acceptance of new gas absorption heat pump models by Robur in MURBs. The objective of the pilot is to evaluate the efficiency of the units when used for space heating and domestic hot water alongside a natural gas condensing boiler. The objective of the pilot is to evaluate the seasonal SCOP, energy consumption, GHG emissions reduction and customer acceptance of this technology. Construction began in late 2025 and M&V will be ongoing until June 2027.
	2025 Participants: 2 Expenditures: \$110,728
Pool Water Heating Pilot	FEI is evaluating the energy savings, installation and customer acceptance of using the new Robur Gas Absorption Heat Pump Plus units for pool hot water heating. This pilot will recruit three recreation centers in BC to participate in the pilot. Installations will be complete in Q2 2026, and the M&V period will last for 6 months, with a final report provided in November 2026.
	2025 Participants: 1 Expenditures: \$114,982

Pilot Activity	Pilot Description
Commercial Dual Fuel Heating Systems Pilot	FEI is evaluating the energy savings, installation and customer acceptance of dual fuel heating systems in MURBs. The system will be comprised of air to water electric heat pumps with a natural gas condensing boiler used for space heating. The objective of the pilot is to evaluate the seasonal SCOP, energy consumption, GHG emissions reduction and customer acceptance of this technology. The pilot aims to recruit 3 sites in the Lower Mainland and 2 more in the Okanagan region. Recruitment began in November 2025, and installation will occur in the summer of 2026. M&V will be conducted from 2026-2027.
	2025 Participants: 0 Expenditures: \$33,336
High Speed Door Pilot	FEI is evaluating the energy savings, installation and customer acceptance of replacing standard overhead doors with high-speed doors. The objective of this pilot is to demonstrate that by installing a high-speed door, the building will reduce the amount of heat-loss associated with a slow open and close cycle. An interim report for this pilot will be provided in April 2026 and a final report in November 2026.
	2025 Participants: 3 Expenditures: \$228,909

1 **8.4 DEEP ENERGY RETROFITS**

2 Deep Retrofit activities aim to both assess and evaluate energy efficiency technologies, a
 3 system of technologies, and/or building designs that can reduce natural gas use and resulting
 4 GHG emissions by 50 percent or greater in both residential and commercial buildings. Activities
 5 include conducting house-as-a-system technology research to focus on understanding barriers
 6 and identifying innovative solutions to support industry and market transformation, executing
 7 small and large demonstrations, and partnering with industry stakeholders to educate the
 8 market. Results of these activities will be used to inform energy savings and costing numbers,
 9 identify customer adoption barriers, and establish recommendations to support future DSM
 10 program offerings.

11 In 2025, Deep Retrofit activities achieved 43 percent of Plan. All four Part 3 commercial
 12 buildings have reached substantial completion of construction activities. Part 9 residential
 13 homes completed construction in 2024. Both Part 3 and Part 9 buildings are in the measurement
 14 and verification (M&V) phase.

15 Expenditure variances were due to contingency reserves for construction and rebate processing
 16 timing. Additionally, some new activities were deferred to gather further information on the
 17 feasibility of deep energy retrofits, based on the pilot results, before proceeding with net new
 18 activities. Table 8-4 summarizes the Deep Retrofit pilot activities.

1

Table 8-4: 2025 Deep Retrofit Activities⁸

Pilot Activity	Pilot Description
Deep Energy Retrofit Pilot - Part 3 Commercial Buildings	FEI is assessing the potential energy savings, GHG emission reductions, customer and industry acceptance, and implementation challenges associated with deep energy retrofits for FEI’s commercial natural gas customers. At the outset of this Part 3 MURBs pilot, FEI selected four participating buildings, and these same four participants continue throughout all phases of the multi-year pilot. No new or additional participants have been added. All four participating buildings are located within Climate Zones 4 and 5.
	2025 Participants: 4 Expenditures: \$4,874,574

2 **8.5 TRANSITIONED MEASURES**

3 In 2025, FEI did not transition any new measures from the Innovative Technologies Program
 4 Area into permanent DSM programs. While several pilot projects and studies progressed during
 5 the year, additional performance data and analysis are required before determining whether
 6 these technologies are suitable for transition into permanent program offerings.

7 FEI continued M&V activities for several pilots initiated in prior years to strengthen the evidence
 8 base for potential future transitions. These activities are intended to improve confidence in
 9 technology performance, energy savings, customer acceptance, and implementation
 10 considerations under BC operating conditions.

11 In addition to pilot activities, technology screening and prefeasibility studies completed in 2025
 12 were used to further assess candidate technologies. These results helped identify key
 13 information gaps and inform potential future pilots and program planning, where appropriate.

14 During 2025, FEI completed the evaluation of the Commercial Gas Engine-Driven Heat Pump
 15 pilot. Although the pilot was successfully concluded, this technology was not transitioned into a
 16 permanent measure. The manufacturer discontinued the product because of changes to US
 17 refrigerant regulations, limiting its future market availability. As a forward-looking alternative,
 18 FEI is assessing a gas engine driven heat pump with variable refrigerant flow system with a
 19 hydrobox configuration, which may offer similar end-use applications. This configuration is
 20 currently being evaluated under a separate pilot to inform its suitability for potential future
 21 program consideration.

22 FEI will continue to assess pilot results as additional M&V data becomes available and will
 23 consider transitioning technologies into main programs where performance, market readiness,
 24 and long-term availability support cost-effective program delivery.

⁸ The expenditures listed in each pilot do not include evaluation expenditures. The cost for evaluation in each pilot can be found in Appendix A-1.

1 **8.6 SUMMARY**

2 The Innovative Technologies Program Area represents a key component of FEI's overall
3 commitment to DSM activities by identifying and evaluating technologies and projects with the
4 potential to inform future program development within the broader DSM portfolio.

5 Overall, the Innovative Technologies Program Area achieved 48 percent of planned
6 expenditures in 2025. The difference between achieved and planned expenditures is attributed
7 to the installation and construction delays for select pilot projects, supply chain delays due to
8 tariff related uncertainties, and the multi-year nature of several gas heat pump and Deep Retrofit
9 initiatives.

10 Ongoing and new pilot projects in 2025 supported the collection of performance, operational,
11 and market data through continued M&V activities. These efforts are intended to strengthen the
12 evidence base used to assess technology performance, customer acceptance, and
13 implementation considerations under BC operating conditions.

14 Together with completed technology screening and prefeasibility studies, these activities will
15 continue to inform internal assessment and future program planning, where appropriate, as
16 additional data becomes available.

9. ENABLING ACTIVITIES

9.1 OVERVIEW

Enabling Activities are initiatives that support and supplement FEI's C&EM program development and delivery. These programs, activities and projects provide resources common to the support and delivery of all Program Area activities.

Enabling Activities include the following:

- Trade Ally Network;
- Codes and Standards;
- Reporting Tool and Customer Application Portal;
- Conservation Potential Review;
- Customer Research;
- Commercial Energy Specialist Program; and
- Community Energy Specialist Program.

Tables 9-1 and 9-2 summarize the planned and actual expenditures and savings for the Enabling Program Area.

Table 9-1: 2025 Enabling Program Area Results – Expenditures

Program	Utility Expenditures (\$000s)					
	Incentives		Non-Incentives		Total Expenditures (including carryover)	
	2025 Plan	2025 Actual	2025 Plan	2025 Actual	2025 Plan	2025 Actual
Trade Ally Network	-	-	1,993	1,579	1,993	1,579
Codes and Standards	1,514	2,332	1,326	966	2,840	3,299
Reporting Tool & Customer Application Portal	-	-	1,382	1,124	1,382	1,124
Conservation Potential Review	-	-	320	78	320	78
Customer Research	-	-	130	-	130	-
Commercial Energy Specialist Program	2,897	2,548	311	115	3,208	2,663
Community Energy Specialist Program	1,114	337	52	7	1,166	345
Labour	-	-	2,833	1,345	2,833	1,345
ALL PROGRAMS	5,525	5,218	8,347	5,214	13,872	10,432

1 **Table 9-2: 2025 Enabling Program Area Results – Savings**

Program	Incremental Annual Gas Savings, Net (GJ)	
	2025 Plan	2025 Actual
Trade Ally Network	Savings not estimated	
Codes and Standards	Savings not estimated	
Reporting Tool & Customer Application Portal	Savings not estimated	
Conservation Potential Review	Savings not estimated	
Customer Research	Savings not estimated	
Commercial Energy Specialist Program	-	56,129
Community Energy Specialist Program	Savings not estimated	
ALL PROGRAMS	-	56,129

2

3 **9.2 TRADE ALLY NETWORK**

4 The Trade Ally Network (TAN) includes expenditures related to FEI’s work with industry. FEI
 5 relies on trade allies, such as contractors, manufacturers, distributors, and Point of Sale
 6 Partners, that provide the qualifying products and quality installations of energy efficiency
 7 measures. FEI recognizes that other industry representatives, such as Energy Advisors,
 8 general contractors and renovators will play a key role in advancing whole home performance
 9 retrofits and influencing energy efficient upgrades in residential homes. The TAN also supports
 10 funding energy efficiency training, a specified demand-side measure outlined in Section 1 of the
 11 DSM Regulation.⁹

12 The following are key updates in 2025:

- 13 • The TAN achieved 79 percent of Plan. Results were lower than Plan due to delays with
 14 certain training activities. Completed initiatives included additional training on new DSM
 15 measures for key industry stakeholders, as well as Integrated Design Process (IDP) and
 16 building science training. Industry training analysis was completed to assess industry
 17 readiness for adopting deep energy retrofits and to help build contractor capacity.
- 18 • In 2025, FEI hosted and sponsored several in-person training sessions for trade allies
 19 that focused on advanced DSM measures. The sessions were designed to equip TAN
 20 contractors, consulting engineers, energy advisors and builders with the knowledge and
 21 tools to implement new DSM measures and continue guiding residential and commercial
 22 customers toward their energy efficiency goals.
- 23 • In addition, the TAN collaborated with several major trade associations, such as TECA
 24 (Thermal Environmental Comfort Association), BCCPA (BC Care Providers

⁹ As per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 1 “class A measure” (c), as amended June 30, 2023.*

1 Association), BCHA (BC Hotel Association) and others, to advance energy efficiency
2 messaging among trade allies and key decision-makers, driving market awareness and
3 uptake of DSM measures. Collaborating with organizations like TECA also enhances
4 the quality of HVAC installations by supporting contractor training and best practices.

- 5 • In collaboration with program partners and the Home Performance Stakeholder Council
6 (HPSC), FEI also supported the development of the Home Performance Industry
7 through trades outreach, training, and ongoing development of the Home Performance
8 Contractor Network (HPCN) – a database of retrofit contractors in BC that meet specific
9 trade designation and training qualifications.

10 **9.3 CODES AND STANDARDS**

11 The Codes and Standards budget finances FEI’s support for codes and standards policy
12 development and research, through in-kind and financial co-funding arrangements. In the
13 residential sector, FEI provides support for energy compliance and testing of new homes
14 through the provision of incentives for energy advisor services in support of the BC Energy Step
15 Code. Incentives encourage builders to work with an energy advisor to validate the energy
16 performance of their home through energy modelling, on-site airtightness testing, and
17 completion of the Step Code compliance reports. Additional support is provided to encourage
18 early design activities such as mechanical design, building envelope design and an integrated
19 design process. These activities support builders achieving advanced BC Energy Step Code
20 levels.

21 The Codes and Standards area “supports the development of or compliance with specified
22 standard or a measure respecting energy conservation or the efficient use of energy”, as
23 referred to in the definition of “class A demand-side measures” in Section 1 of the DSM
24 Regulation, and supports implementation and adoption of such measures and aims to educate
25 and provide training to the industry.¹⁰

26 The following are key updates in 2025:

- 27 • Codes and Standards expenditures were 116 percent of Plan. Builder and Energy
28 Advisor incentives continued to experience strong participation, supporting uptake of
29 Step Code-related incentives. Mid-construction blower door testing and design-focused
30 offerings continued to experience gradual market adoption. Conversely, expenditures in
31 the non-incentive category were lower primarily due to project development delays and
32 less uptake in building portfolio energy plan funding.
- 33 • FEI participated in the development of Energy Efficiency and GHG compliance
34 performance pathways of the National Building Code of Canada and National Energy
35 Code of Canada for Buildings. This creates a GHG compliance path which includes

¹⁰ As per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 1 “class A measure” (g)(i), as amended June 30, 2023.*

1 other energy sources with GHG emissions factors of <25 g/kWh (such as qualifying
2 Renewable Natural Gas (biomethane), biomass (i.e., wood), renewables (i.e., on-site
3 PV or wind), and hydrogen). The publication date was the end of 2025 with revisions
4 potentially in 2030. The BC building code is expected to harmonize with these national
5 codes within 18 months of the federal publication.

6 **9.4 REPORTING TOOL & CUSTOMER APPLICATION PORTAL**

7 The Reporting Tool & Customer Application Portal includes expenditures related to the
8 Demand-Side Management Tracking System. This system manages DSM rebates from the
9 application stage through to payment, including application review, approval, payment file
10 exports, reporting, and customer communications. Expenditures include licensing and hosting
11 fees, and the labour required to operate and maintain the system and related customer portal.

12 As of 2025, dependency on third parties was eliminated by handling all integrations internally,
13 continuing to reduce costs.

14 **9.5 CONSERVATION POTENTIAL REVIEW**

15 The Conservation Potential Review (CPR) is an important tool for use in developing, supporting,
16 and assessing current and future C&EM expenditure applications, as well as for directional input
17 into program development. The purpose of a CPR study is to examine available technologies
18 and determine their conservation potential, which includes the amount of energy savings that
19 can be explored through conservation and energy management programs over the study period.
20 The CPR does this by comparing the economic and market potential of viable measures to a
21 base case scenario.

22 Work on the newest Conservation Potential Review began in 2024, with the analysis completed
23 in 2025. The report will be completed in early 2026.

24 **9.6 CUSTOMER RESEARCH**

25 Customer Research expenditures fund forward-looking initiatives such as customer
26 segmentation that inform marketing and communications strategies.

27 No new research activities were required in 2025 because findings from the 2024 research cycle
28 continue to effectively support marketing and communications planning.

29 **9.7 COMMERCIAL ENERGY SPECIALIST PROGRAM**

30 The Commercial Energy Specialist Program provides funding for Energy Specialist, Energy
31 Analyst and Thermal Energy Manager positions in large commercial organizations. Funding
32 ranges from \$50 thousand to \$90 thousand per year, per position. A funded position's key

1 priority is to identify and implement opportunities for their organization to participate in FEI's
2 C&EM programs, while also identifying and implementing non-program specific opportunities to
3 use gas more efficiently. This program is funded as an enabling activity but claims gas savings
4 for those projects completed by a funded position that are not claimed by another FEI DSM
5 program. FEI considers this to be an energy management program¹¹ and subject to Section 4.¹²

6 The following are key updates in 2025:

- 7 • There were 44 contracted positions within the Commercial Energy Specialist Program.
- 8 • Expenditures were lower than Plan as a result of the transition of all Commercial Energy
9 Specialist workshops and sector-specific meetings from in-person formats to virtual
10 formats. Additionally, the recruitment cycle for filling vacant Commercial Energy
11 Specialist positions at participating sites was longer than expected.
- 12 • Total 2025 verified (non-C&EM program) annual savings were 56,129 GJ.

13 **9.8 COMMUNITY ENERGY SPECIALIST PROGRAM**

14 The Community Energy Specialist Program provides funding for Senior Energy Specialist
15 positions in municipalities, regional districts and organizations of up to \$100 thousand per year.
16 In the FEI service territory, FEI's C&EM budget contributes up to 60 percent of this funding
17 amount, with the remaining portion coming from FEI's External Relations department. Senior
18 Energy Specialists lead policy development and implementation as communities develop or
19 refresh their sustainability and energy plans, including BC Energy Step Code support where
20 applicable and raise awareness of and participate in FEI's C&EM programs. FEI considers this
21 to be an energy management program¹³ and subject to Section 4 of the DSM Regulation.¹⁴

22 The following are key updates in 2025:

- 23 • The Community Energy Specialist Program experienced a slight increase in
24 participation compared to 2024 but was significantly lower than planned as interest from
25 other potential local governments was lower than anticipated. This was primarily due to
26 local government's internal capacity constraints and challenges in finding suitable
27 candidates.
- 28 • There were 11 contracted positions within the Community Energy Specialist Program
29 that focused on both FEI and FBC related projects within their organizations.

¹¹ As per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 1 "class A measure" (e), as amended June 30, 2023.*

¹² As per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 4(4), as amended June 30, 2023.*

¹³ As per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 1 "class A measure" (e), as amended June 30, 2023.*

¹⁴ As per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 4 (4), as amended June 30, 2023.*

1 **9.9 SUMMARY**

2 Overall, the Enabling Program Area achieved 75 percent of total planned expenditures. The
3 difference between achieved and planned expenditures is due to delays with certain trade ally
4 training activities and lower than expected participation in the Community Energy Specialist
5 Program.

10. PORTFOLIO-LEVEL ACTIVITIES

10.1 OVERVIEW

Portfolio activities are required to properly plan, implement, and evaluate the proposed DSM programs and support efforts to meet the energy savings targets.

This area includes:

- Evaluation; and
- Portfolio Level Activities.

Evaluation studies are conducted to determine if FEI's DSM program objectives are being met and savings are being realized. Evaluation of energy efficiency programs provides internal and external accountability by reducing uncertainty in the estimates of energy and demand savings. Evaluation activities and studies are often done in collaboration with various stakeholders, including FBC and other utilities.

Portfolio-Level Activities are comprised largely of planning as well as staffing costs and consultant fees for the numerous studies. Portfolio Level Activities are those activities for which the costs cannot be assigned to individual DSM programs. These distinct Portfolio-Level Activities include expenditures such as DSM support and portfolio level staff labour, staff training and conferences, facilities and equipment, industry association memberships, regulatory work, and EECAG¹⁵ activities.

Expenditures in 2025 for Evaluation and Portfolio-Level Activities exceeded budget, largely reflecting stronger participation in Monitoring & Verification Innovation Technology pilots.

Table 10-1 includes the planned and actual expenditures.

Table 10-1: 2025 Portfolio Activities Results – Expenditures

Program	Utility Expenditures (\$000s)				Total Expenditures (including carryover)	
	Incentives		Non-Incentives		2025 Plan	2025 Actual
	2025 Plan	2025 Actual	2025 Plan	2025 Actual		
Evaluation	-	-	2,629	3,008	2,629	3,008
Portfolio-Level Activities	-	-	2,102	2,346	2,102	2,346
ALL PROGRAMS	-	-	4,731	5,354	4,731	5,354

Additional details on Program Evaluation Activities are provided in Appendix A-1.

¹⁵ The Energy Efficiency and Conservation Advisory Group (EECAG) provides insight and feedback on FBC's and FEI's portfolio of DSM activities and related issues. In 2025, EECAG sessions were not held.

11. LEGACY EXPENDITURES

11.1 OVERVIEW

This section includes legacy expenditures¹⁶ enabled under Section 5 of the DSM Regulation, in particular gas space and water heating measures that operate at lower than 100 percent efficiency (i.e., conventional high-efficiency gas equipment).

Expenditures for conventional high-efficiency gas equipment which were formerly under the respective program areas in the 2023 DSM Plan are included within the Legacy Expenditures section. These incentives are a continuation of committed incentives under the previous DSM Plan period which are expected to be completed or paid within the 2024-2027 DSM Plan period. This Legacy Expenditures section is subject to the prior cost-effectiveness guidelines of the DSM Regulation¹⁷ which used the blended Total Resource Cost (TRC) test and modified TRC as the primary cost test. Actual expenditures, estimated savings, and results are listed below.

The legacy incentives from the Residential Program Area include conventional high efficiency furnaces, boilers, EnerChoice fireplaces, condensing tankless and storage tank water heaters, combination systems and BC Energy Step Code measures from the Home Renovation and New Home programs.

The legacy incentives from the Commercial Program Area include condensing volume boilers, condensing tankless water heaters, furnaces, condensing unit heaters, condensing make up air units, capital upgrades, and whole building Step Code and non-Step Code measures from the Prescriptive, Performance (Existing Buildings) and Performance (New Construction) Programs.

The legacy incentives from the Low Income Program Area include conventional high efficiency furnaces and boilers, condensing volume boilers, condensing tankless water heaters, and other measures from the Prescriptive Program and the Direct Install Program.

The legacy incentives from the Indigenous Program Area include conventional high efficiency furnaces, boilers, EnerChoice fireplaces, Step Code measures, condensing storage tank water heaters, condensing tankless water heaters and other measures from the Prescriptive Program.

Legacy program expenditures were below Plan in 2025. This is primarily related to delays in project completion for New Construction Performance Program participants. These delays were driven by uncertain market conditions, constrained skilled labour availability, and procurement challenges faced by participating customers.

¹⁶ As per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 5*, as amended June 30, 2023.

¹⁷ This is determined from committed legacy expenditures as per *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 5(2)*, as amended June 30, 2023, resulting in cost-effectiveness as defined under the *BC Utilities Commission Act, Demand-Side Measures Regulation (BC Reg. 326/2008) Section 3*, as amended March 24, 2017.

1 Tables 11-1 and 11-2 summarize the planned and actual expenditures and savings for the
 2 Legacy Program Area.

3 **Table 11-1: 2025 Legacy Program Area Results Summary – Expenditures**

Program	Utility Expenditures (\$000s)					
	Incentives		Non-Incentives		Total Expenditures (including carryover)	
	2025 Plan	2025 Actual	2025 Plan	2025 Actual	2025 Plan	2025 Actual
Legacy expenditures	19,639	15,844	-	-	19,639	15,844
Labour	-	-	1,178	177	1,178	177
ALL PROGRAMS	19,639	15,844	1,178	177	20,817	16,021

5

6 **Table 11-2: 2025 Legacy Program Area Results Summary – Savings**

Program	Incremental Annual Gas Savings, Net (GJ)		Benefit/Cost Ratios	
	2025 Plan	2025 Actual	TRC	MTRC
Legacy expenditures	57,878	73,432	2.7	1.1
Labour	Savings not estimated		Savings not estimated	
ALL PROGRAMS	57,878	73,432	2.7	1.1

7

8 **11.2 SUMMARY**

9 Overall, the Legacy Expenditures Program Area achieved 77 percent of the total planned
 10 expenditure for 2025. The participation in Legacy Expenditures programs resulted in over 73
 11 thousand GJ/year of natural gas savings.

1 **12. CONCLUSION**

2 In 2025, FEI achieved 160 percent of its total approved DSM expenditures and realized 153
3 percent of annual energy savings for the year, as compared to Plan. Annual energy savings
4 were approximately 1.36 million GJ. Incentive expenditures at year-end were more than six
5 times that of non-incentive expenditures, making up 86 percent of the overall portfolio
6 expenditures. The resulting total lifetime energy savings for 2025 DSM activity is estimated at
7 12 million GJ, with corresponding lifetime GHG emissions reductions of 814,802 tonnes CO₂e.
8 The Report details how FEI cost-effectively delivered these programs in 2025.

9

Appendix A-1

**INVENTORY OF DSM PROGRAM EVALUATION AND
RESEARCH ACTIVITIES**

Table 1: Inventory of DSM Program Evaluation and Evaluation Research Activities Conducted in 2025¹

Evaluation Name	Program Area	Type of Evaluation	Evaluation Partners	Evaluation Status
Home Renovation Program - Dual Fuel Rebate Evaluation	Residential	Process & Impact	FortisBC Energy Inc. (FEI) & FortisBC Inc. (FBC) (together, FortisBC)	The evaluation was aimed at understanding the impact of the dual fuel system rebate under the Home Renovation (HRR) program. It examined participant and contractor experiences and satisfaction with the program, sought to understand market engagement toward dual fuel systems and the impact on dual fuel system adoption, and assessed its overall energy impacts. Completed in 2025.
Retail and Appliance Evaluation	Residential	Process	FortisBC	Objectives include assessing net-to-gross ratios (free ridership and spillover), exploring demand response potential of rebated appliances, benchmarking other utility practices, recommending alternatives to ENERGY STAR® criteria, and identifying new retail/appliance measures for inclusion. To be completed in 2026.
Commercial New Construction - Third Party Energy Model Reviews	Commercial & Industrial	Measurement & Verification	None	Ongoing BC Energy Step Code and Non-BC Energy Step Code energy model validations conducted by a third-party consultant as part of the program administration and evaluation.
Custom Efficiency Program – Third Party Energy Study Reviews	Commercial & Industrial	Measurement & Verification	None	Ongoing reviews conducted by third-party consultants to review and verify the savings identified in project energy study reports for commercial and industrial projects. Reviews may include engineering calculations for specific energy conservation measures, plant-wide audits, document reviews, and feasibility study reviews.
M&V Project Management and Review	Commercial & Industrial	Measurement & Verification	None	Ongoing management and review of commercial and industrial projects including review and verification of project savings, development of M&V Plans, and completion of a Year 1 and/ or Year 2 M&V Reports. M&V activities align with the International Performance Measurement and Verification Protocol (IPMVP).

¹ Measurement & Verification (M&V) studies require time to conduct activities which include, but are not limited to, project commissioning, installing and removal of monitoring equipment, data collection, and data analysis and reporting. M&V activities align with the International Performance Measurement and Verification Protocol (IPMVP) Concepts and Options for Determining Energy and Water Savings. Prepared by the Efficiency Valuation Organization: [IPMVP - Efficiency Valuation Organization \(EVO\)](#).

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Evaluation Name	Program Area	Type of Evaluation	Evaluation Partners	Evaluation Status
Rental Apartment Efficiency Program - Participant and Building Owner Surveys	Commercial & Industrial	Process	FortisBC	Ongoing surveys conducted with building owners and tenants to assess customer satisfaction, program awareness, and gather feedback for future program design.
Direct Install Quality Assurance	Low Income	Evaluation Study	FortisBC & BC Hydro	The direct install program uses an external vendor to conduct quality assurance checks by reviewing case files and verifying that all energy saving measures and retrofits are installed according to program specifications and documented according to program guidelines.
Energy Conservation Assistance Program - Customer Feedback Surveys	Low Income	Process	FortisBC & BC Hydro	Feedback surveys based on the former ECAP model were conducted only for the first half of the year in anticipation of the redesigned program that was launched in July 2025. This resulted in two quarterly surveys. Customer feedback surveys on the new ECAP model will begin in 2026. Completed in 2025.
Income Qualified Rebate Evaluation	Low Income	Process & Impact	FortisBC	The evaluation was aimed at understanding the profiles of the participants benefiting from the rebates, the impact of the rebates on decisions to install the upgrades, and overall participant experience with the rebates offer. Completed in 2025.
Customer Engagement Tool Evaluation 2025	Conservation Education & Outreach	Process & Impact	FortisBC	Evaluation of the overall program, including a jurisdictional scan to better understand motivations for energy savings, validation of the treatment and control group selection of a new self-compare cohort, and calculation of net savings attributed to the distribution of the Home Energy Reports. Completed in 2025.
Energy Audit 2024	Enabling Activities	Impact	FortisBC	The study is an update to an energy savings audit to verify energy savings from projects completed in 2024. Completed in 2025.
Energy Audit 2025	Enabling Activities	Impact	FortisBC	The study is an update to an energy savings audit to verify energy savings from projects completed in 2025. Preliminary results reported in the 2025 Annual Report. To be completed in 2026.

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Evaluation Name	Program Area	Type of Evaluation	Evaluation Partners	Evaluation Status
Customer Research	Enabling Activities	Communications	None	<p>FortisBC Communication Tracking: Energy Efficiency Conservation: Ongoing tracking of customer engagement and awareness of C&EM activities and provides recommendations for the media mix.</p> <p>MyVoice Panel Software (Customer Voice Panel): Ongoing annual market assessment to ensure effectiveness of approach. This includes testing ad concepts, comparing product offerings, testing rebate steps information to ensure clarity, and assessing preferences for various webpage design.</p> <p>Customer Satisfaction Index: The study identified aspects of the customer experience that were driving customer satisfaction of energy efficiency programs, and how FEI can target actions to improve. Completed in 2025.</p> <p>Corporate Brand Evaluation: Ongoing annual study intended to understand customer's knowledge and perceptions of FEI, including rebates.</p>
Program Compliance & Quality Assurance Site Visits	Enabling Activities	Evaluation Study	None	<p>The insulation and program compliance site visits are conducted in homes that receive rebates for insulation and draft proofing measures, while the furnace quality assurance program conducts site visits of homes with furnace or boiler upgrades which has now evolved to dual fuel upgrades. Both are ongoing site visits focused on quality assurance and program compliance.</p>
Gas Absorption Heat Pump for Large Homes	Innovative Technologies	Measurement & Verification	None	<p>Measurement of energy savings, installation, and customer acceptance of the Robur gas-fired absorption heat pump technology for space heating applications in large residential homes. Pilot is ongoing.</p>
Dual Fuel Combination Pilot	Innovative Technologies	Measurement & Verification	None	<p>Measurement of energy savings, installation, and customer acceptance of the Napoleon Dual Fuel Combi system for residential space heating, cooling, and domestic hot water applications. Pilot is ongoing.</p>
GHP VRF Pilot	Innovative Technologies	Measurement & Verification	None	<p>Measurement of energy savings, installation, and customer acceptance of the gas engine heat pump with variable refrigerant flow for commercial buildings for space heating and supplemental cooling. Pilot is ongoing.</p>

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Evaluation Name	Program Area	Type of Evaluation	Evaluation Partners	Evaluation Status
Gas Engine Driven Heat Pump Pilot	Innovative Technologies	Measurement & Verification	None	Measurement of energy savings, installation, and customer acceptance of the gas engine heat pump with variable refrigerant flow for commercial buildings for space heating and supplemental cooling. Pilot has ended.
Residential Gas Absorption Heat Pump Pilot	Innovative Technologies	Measurement & Verification	None	Measurement of energy savings, installation, and customer acceptance of the gas-fired absorption heat pump technology for residential space and water heating applications. Pilot is ongoing.
Deep Energy Retrofit Pilot	Innovative Technologies	Measurement & Verification	None	Measurement of energy savings, installation and customer acceptance of building envelope and energy system upgrades for residential and commercial buildings. Pilot is ongoing.
Carbon Capture Pilot	Innovative Technologies	Measurement & Verification	None	Measurement of energy savings, installation feasibility, and customer acceptance of CarbinX-enabled energy system optimization for buildings. Pilot has ended.
Hybrid Heating Early Adopter	Innovative Technologies	Measurement & Verification	None	Measurement of SCOP, energy savings, impact of switch over temperature, preferred control system and customer acceptance of the dual fuel heating system in residential settings. Pilot is ongoing.
Measure Library Review	Portfolio	Process	FortisBC	This is a comprehensive review and integration of the Measure Library in the Demand-Side Management Tracking System. Completed in 2025.

Table 2: Summary of Key Findings and Methodology for 2025 Completed DSM Program Evaluation Studies and Pilot Program Reports

Evaluation Name	Program Area	Type of Evaluation	Methodology	Key Findings
<p>Home Renovation Program - Dual Fuel Rebate Evaluation</p>	<p>Residential</p>	<p>Process & Impact</p>	<p>A process and impact evaluation were conducted to better understand the impact of the Dual Fuel Rebate on customers. It included a survey that generated responses from program participants, interviews with contractors and distributors, and two sets of billing analyses covering (i) early adopter offer participants and (ii) regular program participants.</p>	<p>Key findings from the process evaluation showed that (i) the FEI rebate was highly influential in driving sales and installations of dual fuel systems in BC; (ii) participants were mostly satisfied with their system and the FEI HRR program; and (iii) an opportunity to improve communication with participants and contractors. The impact evaluation based on the regular program participants showed an average natural gas savings of 20.5 GJ per participant.</p> <p>Outcome: Results and recommendations were reviewed and taken into consideration for future program design.</p>
<p>Rental Apartment Efficiency Program - Participant and Building Owner Surveys</p>	<p>Commercial & Industrial</p>	<p>Process</p>	<p>This is an annual feedback survey to gauge participant experience and assess various aspects of the program to inform future program planning. Survey participants are owners/managers/contacts of rental apartments, accommodations, strata buildings and student residences whose RAP projects had reached or passed the installation phase.</p>	<p>Majority of the participants continue to view the program positively and remain pleased with the program overall. The application process, accessibility of information, and the likelihood of recommending the program to others were highly rated. While still generally positive, some metrics on satisfaction with the quality and installation of measures have dropped compared to previous year.</p> <p>Outcome: Continue conducting tenant and building owner surveys to provide feedback on program design.</p>

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Evaluation Name	Program Area	Type of Evaluation	Methodology	Key Findings
<p>Energy Conservation Assistance Program (ECAP) - Ongoing Customer Feedback Surveys</p>	<p>Low Income</p>	<p>Process</p>	<p>Two Advanced ECAP quarterly surveys were conducted in 2025 in anticipation of the new ECAP that was launched in July. Advanced ECAP provides in-home visits to determine potential energy upgrades for the home which can include draft-proofing, refrigerator, attic/crawlspace/wall insulation, bathroom fans, and programmable thermostats. The surveys assessed customer satisfaction with the program application process, the measures installed, and the experience with the installation contractors.</p>	<p>The survey showed overall satisfaction from the program has increased to 72%, and more customers mentioned that the installations were very thorough and the service provided by the staff was good. Satisfaction with the evaluation visit also strengthened, particularly when it comes to wait time to schedule the installations. Notably, 72% of participants strongly agreed that the products/measures have increased the comfort of their home. The most installed product in Q2 was insulation followed by draft-proofing.</p> <p>Outcome: Continue to conduct the participant surveys to assess the program's development and contractor experience.</p>
<p>Income Qualified Rebate Evaluation</p>	<p>Low Income</p>	<p>Process</p>	<p>The study was aimed at understanding the effectiveness of the income-qualified rebates in reaching households that need them to implement energy efficiency home upgrades. It included (i) a survey of participants who benefited from FEI rebates for the installation of smart thermostats, insulation, windows, doors, hot water heaters, and dual fuel systems; and (ii) an analysis of the participant database.</p>	<p>The survey findings indicate that the income-qualified rebates reached mostly retired seniors living in relatively large single-family detached homes, in urban areas, and with a relatively high level of education. The rebate was found to be the primary incentive to make an upgrade. Any reduction will result in significant drops in dual fuel installation, i.e., 30% reduction in incentive would cut participation by half, and 50% reduction in incentive would cut participation by 85%. Participants were mostly satisfied with their upgrades and the FEI rebates offer in general.</p> <p>Outcome: Results and recommendations were reviewed and taken into consideration for future program design.</p>

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Evaluation Name	Program Area	Type of Evaluation	Methodology	Key Findings
Customer Engagement Tool Evaluation 2025	Conservation Education and Outreach	Impact	The study focused on estimating the gas energy savings from the program for the period December 2024 to November 2025 based on two customer cohorts: the normative cohort receives Home Energy Reports that compare their consumption against a similar household, and a self-compare cohort receives Home Energy Reports that show their current consumption compared with the previous period. Savings are calculated using the monthly and cumulative savings from the natural gas billing data.	In 2025, the natural gas savings under the normative cohort continued to generate savings at 1.85 GJ/yr per participant, which represents approximately 2.44% reduction in annual gas consumption. The self-compare cohort has generated fewer savings than the normative cohort but still resulted in natural gas savings of 0.55 GJ/yr per participant. Outcome: Results and recommendations were reviewed and taken into consideration for future program design.
Customer Research - Corporate Brand Evaluation	Enabling Activities	Communications	The Energy Branding Benchmarking Index (EBBI) consists of questions regarding relevant elements that influence consumer purchase decisions within the energy space. Those elements originate from four factors, including: <ul style="list-style-type: none">• Differentiation• Perception and image• Segmentation• Social responsibility and sustainability	The EBBI establishes FEI's index and compares it to other energy brands across the world. Our score is 61, placing the company as "average." FEI falls several points below the North American average, and one point ahead of the global benchmark. Image and perception are seen as its strengths, while differentiation is seen as its weakest point, followed by segmentation, social responsibility and sustainability. Outcome: Results were taken into consideration for future program design.
Customer Research - MyVoice Panel Software (Customer Voice Panel)	Enabling Activities	Communications	MyVoice is an online customer insights community supported via a cloud-based research platform. The community includes approx. 2,900 members, which FEI regularly contacts to complete short research studies.	Insights were generated from several activities such as the Membership Survey, Share of Wallet, and Energy Management Program Evaluation to inform future programming and design. Outcome: Results were taken into consideration for future program design.

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Evaluation Name	Program Area	Type of Evaluation	Methodology	Key Findings
<p>Hybrid Heating Early Adopter Report</p>	<p>Innovative Technologies</p>	<p>Measurement & Verification</p>	<p>This study provides performance data on the dual fuel heating system for residential customers. The interim report provided data collected from January 1, 2024, to March 31, 2025. The M&V study followed IPMVP protocol Option A.</p>	<p>The average SCOP for participants in climate zone 4 was measured as 1.8 with a switchover temperature of 5C, and 1.6 in climate zone 5 with a switchover temperature of 2C. The SCOP was primarily driven by the proportion of usage between the systems. The report also noted that control settings such as the switch-over temperature are a key factor in the system's performance. The M&V will continue over the 2025-26 heating season to measure the SCOP in climate zones 4 & 5, the net energy savings, and GHG emissions reduction.</p> <p>Outcome: Results and recommendations were reviewed and taken into consideration for future program design.</p>
<p>Gas Engine Driven Heat Pump Pilot</p>	<p>Innovative Technologies</p>	<p>Measurement & Verification</p>	<p>This study provides performance data on the gas engine driven heat pump systems installed in commercial buildings. The M&V study followed IPMVP protocol Option A. The methodology relied on site-specific system information, equipment specifications, and monitored operating data to assess system performance and energy impacts. The evaluation focused on measuring system efficiency, operational characteristics, and overall performance under real-world operating conditions.</p>	<p>The Gas Engine Driven Heat Pump (GEHP) pilot demonstrated that GEHP air-to-water systems can achieve meaningful natural gas savings while providing space heating, supplementary cooling, and domestic hot water through heat recovery. The average heating coefficients of performance (COP) ranged from approximately 1.1 to 1.5, with average monthly natural gas savings generally within the targeted range of 15–25% depending on site conditions. Performance varied by system configuration, with higher efficiencies observed at sites with low-temperature hydronic distribution systems and consistent heating or domestic hot water loads. Higher supply water temperatures and sub-optimal system sequencing were found to reduce overall system efficiency. Results and lessons learned from the pilot were reviewed and taken into consideration to inform future pilot design, system integration requirements, and potential program</p>

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Evaluation Name	Program Area	Type of Evaluation	Methodology	Key Findings
				<p>development for gas engine driven heat pump technologies.</p> <p>Outcome: Results and recommendations were reviewed and taken into consideration for future program design.</p>
<p>Carbon Capture Pilot</p>	<p>Innovative Technologies</p>	<p>Measurement & Verification</p>	<p>IPMVP protocol Option C. The evaluation applied a whole-facility analysis using utility billing data and monitored operating information to quantify energy impacts. Site-specific system characteristics and equipment specifications were used to support baseline development and performance assessment. The analysis focused on changes in overall facility energy consumption and system performance under normal operating conditions.</p>	<p>While the pilot provided valuable information, the results did not demonstrate a sufficiently strong case for program-level implementation at this time. In particular, the pilot highlighted limitations related to measurable energy savings at scale, practical challenges associated with installation and integration, and mixed customer uptake and acceptance under real-world operating conditions.</p> <p>Outcome: Based on the outcomes of the pilot, the initiative was not transitioned into a full program.</p>