



EFFICIENCY
MANITOBA



**SAVE TODAY.
SAVE TOMORROW.**

2024/25
**ANNUAL REPORT
SUPPLEMENT**



INTRODUCTION

Efficiency Manitoba is Manitoba’s Crown corporation committed to reaching long-term energy savings targets by offering cost-effective programs and services to Manitobans. Our legislated mandate is to develop and support energy efficiency initiatives that will reduce consumption of electricity by 1.5% and natural gas by 0.75% annually. In the process of reducing consumption of natural gas, we enable significant greenhouse gas emission reductions. Beyond legislated energy savings and in accordance with our 2024 mandate letter, we also took initial steps in 2024/25 toward future capacity-focused programs, which will help reduce Manitoba’s peak demand on the electric system.

The work we do to drive customer participation ties directly to our mandated priorities and results in energy bill savings for households and businesses, improved affordability, reduction in energy poverty, Indigenous reconciliation, increased business competitiveness, training and local employment and business opportunities, environmental benefits (including greenhouse gas emissions reductions), as well as other social and economic benefits. While many of these benefits aren’t captured in our legislated cost-effectiveness test, they’re significant and meaningful for Manitobans.

Efficiency Manitoba submitted our 2024/25 Annual Report in accordance with the Crown Corporations Governance and Accountability Act. In addition, Section 32(1) of The Efficiency Manitoba Act specifies annual reporting requirements for activities and operations within a fiscal year; this 2024/25 Annual Report Supplement provides results and analyses related to these reporting requirements.

RESULTS SUMMARY

Audited financial statements

Audited financial statements are included in Efficiency Manitoba’s 2024/25 Annual Report.

2024/25 energy savings summary results

Annual results	Savings	Legislated target	% of legislated target
Electric savings as a percentage of load	1.20%	1.5%	80%
Natural gas savings as a percentage of volume	0.69%	0.75%	91%

Discussion

The table on page 1 shows that the total electricity savings of the portfolio, accounting for all sectors, reached 80% of our legislated target of 1.5% while portfolio natural gas savings were 91% of our legislated target of 0.75%. Energy savings in 2024/25 were achieved while expending 88% of the overall budget. The Efficiency Manitoba Act provides that annual shortfalls or surpluses in energy savings carry forward in accordance with the cumulative 15-year energy savings targets.

Year over year, we’ve been increasingly successful in reaching Manitobans by providing an inclusive and diverse portfolio of offers across residential, income-based, Indigenous, commercial, industrial, and agricultural customer segments. Of particular importance is structuring our programs in a manner that ensures they can be broadly and fully accessed by the intended customer segment. The depth and breadth of our offers ensure all Manitobans can benefit from energy efficiency. Our incentives have helped Manitobans, businesses, and communities realize significant energy bill savings at a time when affordability and business competitiveness are of utmost importance to Manitobans and the Manitoba economy. These energy and bill reductions persist and yield ongoing benefits. Savings achieved with natural gas efficiency measures have also led to reductions in greenhouse gas emissions — a particularly important outcome as Manitoba continues to address the ongoing climate crisis while developing and implementing its roadmap towards net zero emissions by 2050.

Investment decisions in energy efficiency are made within the broader economic context and are therefore influenced by external factors such as interest rates, customer debt levels, consumer confidence, pace of inflation, and energy prices. Aligned with our focus on continuous improvement, we’ve implemented many adaptations and modifications to our offers in response to external market factors and feedback from our delivery partners, suppliers, and customers to ensure we’re maximizing our reach. Enhanced communications and advertising efforts have translated into significant year-over-year increases in brand awareness necessary to drive customer action related to energy efficiency program participation.

In addition to the energy efficiency programs and activities, 2024/25 saw significant efforts dedicated to important priorities that will impact longer-term energy savings achievements. This included designing and launching enhanced heat pump offers across multiple customer areas under the Affordable Home Energy Program. The work also considered the state of existing industry capacity for installing ground source heat pumps and the strategic actions that would need to be undertaken to support a much higher pace of adoption of this technology. For more information on in year progress on our 2024/25 key initiatives, see pages 10 to 15 of our Annual Report.

We worked closely with Manitoba Hydro to develop a strategic roadmap for future demand response programming. The foundation for demand response in 2025/26 was initialized through research and engagement with industry experts as well as work completed towards joint strategies, pilot programming options, enabling infrastructure needs, and resourcing requirements.

With Manitoba's growing electricity needs, energy efficiency continues to be a cost-effective and sustainable resource to change the quantity and timing of energy consumption. Compared to other available options, energy efficiency’s low cost, near-term implementation timelines, and range of other social and economic benefits makes it an important option to maximize in managing the shift away from fossil fuels. We provided expertise within Manitoba Hydro’s Integrated Resource Planning process to ensure energy efficiency is assessed on par with other resources for meeting the energy needs of Manitoba.

Planning for electric energy savings achievement in advance of a rapidly growing electric load will continue to present challenges in satisfying the electric energy savings target. This evolving reality of a decarbonized future alongside the increasing complexity of acquiring new energy efficiency opportunities will require flexibility, nimbleness, and continued adaptations. The achievement of longer-term energy savings will be influenced by multiple factors including Manitoba economic conditions and future iterations of the legislative framework enabling Efficiency Manitoba, balanced with the cost to acquire market opportunities for energy-efficient technologies in Manitoba that are continuously more challenging to capture. Amongst the challenges and uncertainties, we’re committed to continuing to deliver on the breadth of positive outcomes associated with annual key initiatives, mandated priorities, and the many diverse benefits of energy efficiency.

Contingency fund

There were no contingency fund expenditures in 2024/25.

Operational adjustments

In 2024/25, we continued to implement changes, including increased customer incentives and expanded customer eligibility criteria, to increase customer participation in our offers (see pages 18 and 19 of our Annual Report for additional details). Our intent with these operational adjustments and program modifications was to further encourage customers to invest in energy efficiency, driving energy savings across the province.

2024/25 RESULTS

We’ve made progress toward achieving our energy savings targets

The table below, along with the notes and explanations that follow, provides additional detail on the results from our independent evaluation process. Note that planned energy savings in 2024/25 were higher than the legislated targets. This results in a difference in savings as a percentage of Plan when compared to the legislated targets, particularly relative to natural gas savings (see the summary table on page 1).

Annual results	Legislated target	Planned for 2024/25	Gross (real) savings (Net savings as defined in the Efficiency Manitoba Act)	
			Actual	% of 2024/25 plan
Electric				
Electric savings (GWh)		337.5	269.1	80%
Evaluated electricity savings as a percentage of load	1.5%	1.53%	1.20%	
Electric acquisition cost (\$/kWh)		\$0.13	\$0.15	
Natural gas				
Natural gas savings (million m³)		17.62	10.60	60%
Evaluated natural gas savings as a percentage of volume	0.75%	1.07%	0.69%	
Natural gas acquisition cost (\$/m³)		\$1.84	\$2.49	

Notes & explanations

- ➔ In accordance with Section 16(1) of the Efficiency Manitoba Act and to ensure independent review and assessment of our performance, we contract the services of an independent assessor. They’re responsible for independently assessing program energy savings and cost effectiveness, providing third-party verification and evaluation.
- ➔ Savings include the calculation of interactive effects whereby an energy-efficient product or system results in an increase or decrease in energy use in other areas. For example, installing more efficient lighting results in an increase in heating requirements and a decrease in cooling requirements.

- ➔ The Efficiency Manitoba Act defines net savings to be counted towards the respective target as:
“...in respect of a change in the consumption of electrical energy or natural gas in Manitoba, the savings that occur after taking into account any other adjustments in consumption that are attributable to, or influenced by, the change.”

This definition implies interactive effects are removed from the total (gross) savings and therefore represent the real impact to domestic load consistent with Efficiency Manitoba’s legislated mandate (gross (real) savings as presented).

This reporting is in accordance with the mandate letter issued on March 26, 2024, whereby Efficiency Manitoba’s responsible Minister communicated the expectation to:

“...align energy efficiency savings reporting with Efficiency Manitoba’s objectives of reducing real load growth impacting Manitoba electric load and natural gas volumes, while also supporting the transition to net-zero emissions in a manner that protects affordability.”

- ➔ Electric savings as a percentage of load is based on 2023/24 weather-adjusted actual consumption.
- ➔ Natural gas savings as a percentage of volume is based on actual 2023/24 volumes. To protect Manitoba Hydro confidential information, savings as a percent of actual volume (not weather-adjusted) was used.

Our electric programs have helped to reduce the winter electric peak in Manitoba, which is essential to Manitobans relative to future electric supply

Winter peak demand savings	2024/25
Annual (MW)	51.2

Our programs make investing in energy efficiency more accessible for Manitobans, saving millions on energy bills across the province and making everyday life more affordable

Customer bill savings	2024/25
Annual (\$ million)	\$15.3

The dollar savings presented here are from both electric and natural gas savings as well as the federal carbon charge. The federal carbon charge was removed effective April 1, 2025, is still included in this fiscal year reporting, and will continue to be included in cumulative and persisting cumulative figures below (as these include historical savings) going forward. To the end of the 2024/25 fiscal year, cumulative customer bill savings represent over \$51 million annually with persisting cumulative customer bill savings of over \$148 million since 2020/21.

Our natural gas programs have resulted in significant greenhouse gas emission reductions, which positively contribute to Manitoba’s path toward net-zero

Greenhouse gas emission reductions	2024/25
Annual (CO ₂ eq tonnes)	19,300

To the end of the 2024/25 fiscal year, cumulative greenhouse gas emission reductions (CO₂ eq) represent over 105,000 tonnes annually with persisting cumulative greenhouse gas emission reductions of over 299,000 tonnes since 2020/21.



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