

Media Fact Sheet
Geothermal and Self-Generated Renewable Power Loan Programs
Monday, December 15, 2008

The programs we are announcing today for all Saskatchewan residents – including SaskPower, Swift Current and Saskatoon electric utility customers – include:

- 1. A loan program for residential and farm customers who choose to install a Canadian Geoexchange Coalition (CGC) certified geothermal and/or renewable system.** This program is applicable to customers who install a system in a new home, or choose to retrofit an existing home to accommodate a geothermal and/or renewable system.

Eligible customers can receive a loan for up to \$25,000 for installing a geothermal system, and/or a loan of up to \$25,000 for installing a renewable system. The total of the loan(s) cannot exceed \$50,000. The interest rate for this loan program will be 2 per cent lower than SaskPower's standard lending rates, which vary depending on the term of the loan(s).

The loan program is effective immediately and will be delivered through SaskPower Eneraction – the corporation's portfolio of energy efficiency, conservation, and load management programs.

- 2. An enhancement to the existing provincial Energy Efficiency Rebate for New Homes Rebate Program for residential customers.** Customers can receive a rebate of up to \$3,500 for the installation of a CAN/CSA-C448 compliant geothermal system when they purchase a new energy efficient home. This is the largest rebate for new homes in Canada and is being done to provide an additional incentive to customers in the new home market.

This rebate will be offered through the existing Energy Efficiency Rebate for New Homes Program, administered by SaskEnergy. To qualify for the geothermal rebate, in addition to the geothermal system criteria, the new home must be built to one of the following energy efficient standards: R-2000 certified ENERGY STAR® qualified or Energuide for New Homes Rating of 80 or above. Customers can fill out a rebate application form and apply directly to SaskEnergy. The geothermal rebate is retroactive to customers who have taken legal possession of their homes as of January 1, 2008.

- 3. We are also topping up the province's support to customers who wish to self-generate electricity.** Currently the province provides rebates of 25 per cent, to a maximum of \$25,000 to customers who wish to self-generate electricity using green sources such as wind or solar and participate in the Net Metering Program.

This has been enhanced by an additional 10 per cent, to a maximum of \$10,000. A maximum rebate of \$35,000 could be received if the total cost of installing a system is \$100,000 (the maximum total cost eligible for the rebate program).

The rebate is retroactive to April 1, 2007. The renewables rebate will be administered by the Saskatchewan Research Council (SRC).

How geothermal works:

Literally, geothermal means “from the earth”. Geothermal systems use the earth’s heat to provide primary space heating and cooling. Geothermal systems have also been referred to as earth energy systems, geoexchange, or ground source heat pump systems.

The concept takes advantage of the ground’s heating and cooling properties (the same properties that make any basement cooler in the summer) to heat or cool entire buildings. The heat exchange between the ground and the building is accomplished by using standard pump and compressor technology. Geothermal systems can also be used to assist with domestic hot water heating.

Because these systems involve ground source heat pumps, which require electricity to operate and circulate the earth’s heat into your home, geothermal is not a 100 per cent “renewable” source. It is, however, much more environmentally responsible than some other heating sources which are non renewable, primary energy resources.

Eligibility for customers who currently heat with or have access to natural gas:

Because geothermal is a more environmentally responsible way to heat than electricity or oil burning furnaces, strong environmental gains can be achieved by moving from these systems to an a geothermal system. Households who currently use these sources will receive the most benefit from switching to a geothermal heating system.

Households converting from natural gas to a geothermal heating system, and wishing to take advantage of these loan and/or rebate programs, are required to install an on-site renewable energy (wind, or solar photovoltaic, small scale hydro or other renewable energy technology) source large enough to offset the estimated increased electrical load. This will ensure that these incentive programs do not encourage increased greenhouse gas emissions, which could occur if customers currently using natural gas switched to a geothermal system.

About the Canadian Geoexchange Coalition (CGC):

The CGC was created in 2003 by the Canadian Electricity Association and industry stakeholders with start-up funding from the Federal Government (Natural Resources Canada). The CGC Global Quality Geothermal™ Program® is a comprehensive voluntary quality assurance program with the ultimate objective of protecting residential and commercial purchasers of the equipment.

More information can be found at the Canadian Geothermal Coalition’s web site at www.geo-exchange.ca.