

OPINION EDITORIAL

SAVE ENERGY, SAVE ON TAXES

By Rick Thorpe Minister of Small Business and Revenue

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With new construction at near-record levels in communities across British Columbia, I want to remind British Columbians how simple upgrades to their homes can save them money, help our environment and reduce our dependence on energy imports.

British Columbia has a long tradition of promoting smart power usage by consumers. To bolster this, our government is taking an innovative approach that will save consumers up to \$1.2 billion by 2020.

Last September, our government launched a first-in-Canada strategy, Energy Efficient Buildings: A Plan for British Columbia, which sets the stage for sustainable environmental management and new job creation through energy conservation. Among the 10 market and policy measures outlined in this plan is a provincial sales tax exemption on materials and equipment used to conserve energy.

Energy costs represent a major part of most families' budgets. Heating and air conditioning account for more than half of the annual energy costs in a typical home. But there are basic, provincial sales tax-free steps you can take to save money and conserve energy.

Poorly sealed windows can steal up to one-third of the energy from your home. Among the easily installed and inexpensive building supplies you can use to correct this are window insulating film, weather stripping and caulking materials.

Installing window film can immediately reduce the amount of heat loss from your home, thus cutting your heating bill. Window film is a thin, transparent sheet designed primarily to retain heat by absorbing solar heat or reducing drafts. It can be applied to single or double-glazed windows on the interior side. Window film also helps to keep your home cooler in summer; however, film is only exempt from provincial sales tax if it is designed primarily to retain heat by absorbing solar heat or reducing drafts.

Heat can also escape through cracks around doors and windows. Correcting these leaks is effortless through the use of caulking and weather-stripping designed to prevent heat loss. This single energy improvement has one of the fastest paybacks of all.

If you are considering replacing windows around your home or building, look for the Energy Star logo. Energy Star is an international symbol that identifies manufacturers' products as the most energyefficient in their category. These windows are recommended by B.C. Hydro, Fortis B.C., and other independent power companies in British Columbia and are also an excellent long-term investment to keep your home warm in winter and cool in summer. Likewise if you are considering replacing your older, inefficient heating system, look for the Energy Star logo. Gas-fired forced-air furnaces, boilers and heat pumps that are Energy Star qualified are exempt from the provincial sales tax until March 31, 2007. Oil-fired forced-air furnaces are also exempt until March 31, 2007, if they have a Seasonal Energy Utilization Efficiency (SEUE) rating of 85 per cent.

Smart power use is more than a dollars-and-cents issue for families, however. Contrary to what many British Columbians believe, British Columbia is no longer self-sufficient when it comes to meeting our province's energy needs. In fact, for the past five years, we have been net importers of electricity.

Conservation is vital, not only to maximizing our ability to meet our own energy needs, but also to reducing greenhouse gas emissions and demand for energy from other sources. Hydroelectric energy generation is a relatively "clean" process, and the more mileage we can get out of our hydro supply, the better.

For decades, British Columbians have benefited from some of the lowest hydro rates in North America. We want to continue that tradition – but it requires each of us to properly conserve our power.

I encourage you to take, at the very least, some simple and inexpensive steps to cut your energy consumption and your costs at home. When everyone works together, it contributes to making British Columbia the best place on earth in which to live.

For more information on exemptions for material and equipment used to conserve energy, please visit our website at <u>www.sbr.gov.bc.ca/ctb/publications/bulletins/sst_011.pdf</u> online.

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