



# EFFICIENCY MANITOBA



**SAVE TODAY.  
SAVE TOMORROW.**

2025/26  
**ANNUAL REPORT  
SUPPLEMENT**



# INTRODUCTION

Efficiency Manitoba is a Crown corporation dedicated to helping Manitobans save energy, reduce costs, and contribute to a cleaner, stronger, and more affordable province. Our legislated mandate is to develop and support cost-effective energy efficiency initiatives that reduce provincial consumption of electricity by 1.5% and natural gas by 0.75% annually. These savings also reduce greenhouse gas emissions and peak demand on Manitoba’s electric system.

The value of energy efficiency goes beyond savings. The work we do helps improve affordability for households, businesses, industries, and communities, while creating economic opportunities for local suppliers and skilled workers across Manitoba.

As the province’s electricity needs grow, energy efficiency continues to be an important, cost-effective resource. Energy and peak demand saved through our programs helps manage load growth and can defer the need for costly new energy infrastructure.

We submitted our 2025/26 Annual Report in accordance with the Crown Corporations Governance and Accountability Act, which requires submission of an annual report within four months after the end of the fiscal year. Section 32(1) of the Efficiency Manitoba Act specifies additional annual reporting requirements for activities and operations within a fiscal year. The 2025/26 Annual Report Supplement provides the independently assessed energy savings results and analyses as required.

# RESULTS SUMMARY

## Audited financial statements

Audited financial statements are included in Efficiency Manitoba’s 2025/26 Annual Report.

## 2025/26 energy savings summary results

| Annual results                                | Savings | Legislated target | % of legislated target |
|-----------------------------------------------|---------|-------------------|------------------------|
| Electric savings as a percentage of load      | 1.16%   | 1.5%              | 77%                    |
| Natural gas savings as a percentage of volume | 1.16%   | 0.75%             | 155%                   |

## Discussion

The table on page 1 shows that the total electricity savings of the portfolio, accounting for all sectors, reached 77% of our legislated target of 1.5%, while portfolio natural gas savings were 155% of our legislated target of 0.75%. Energy savings in 2025/26 were achieved while expending 95% 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 continued to reach Manitobans by providing an inclusive and diverse portfolio of offers across residential, income-based, Indigenous, commercial, industrial, and agricultural customer segments. A key focus of our work is ensuring programs can be broadly and fully accessed by the intended customer segment so all Manitobans can benefit from energy efficiency.**

Our incentives have helped homeowners, renters, businesses, and communities realize significant energy bill savings at a time when affordability and business competitiveness are important to Manitobans and the Manitoba economy. Energy and bill reductions persist for years after the upgrade is completed and provide long-term benefits to participants. Savings achieved through natural gas efficiency measures contribute to reductions in greenhouse gas emissions — a particularly important outcome as Manitoba continues to address the ongoing climate crisis while moving forward with its path to net-zero emissions by 2050.

Decisions to invest in energy efficiency are made within the broader economic context and are influenced by external factors such as interest rates, inflation, customer debt levels, consumer confidence, and energy prices. In response, we continually evaluate and refine our programs based on current market conditions and feedback from our delivery partners, suppliers, and customers. Sustained and relevant communications and advertising efforts have led to significant year-over-year increases in brand awareness, which is necessary to motivate customer participation in our energy efficiency programs.

In addition to energy efficiency programs and activities, the 2025/26 fiscal year saw significant activities dedicated to important priorities that will impact longer-term energy savings achievements. Following the official public launch of the Affordable Home Energy Program in June 2025, our efforts have focused on driving participation in the heat pump offers we’ve implemented under this program. We were also proud to be announced as the first jurisdiction in Canada to receive funding under the Canada Greener Homes Affordability Program. This program is further supporting a variety of energy-efficient technologies (including heat pumps) for low- to median-income households, reducing energy use, lowering bills, and improving home comfort. Additional information about the Affordable Home Energy Program and our work to drive increased uptake of ground source heat pumps can be found on pages 14 to 15, 31 to 33, and 36 of our Annual Report.

We worked closely with Manitoba Hydro to move our collective work forward in the area of demand response programming. This is aligned with the significant requirement for customer-side solutions that address peak demand on the grid that was identified in the 2025 Manitoba Hydro Integrated Resource Plan (IRP) and proposed Development Plan. Significant readiness and development work was completed in 2025/26 to launch a smart thermostat demand response pilot

program and lay the foundation for future demand response initiatives in the province. As with energy efficiency programs, the participation of Manitobans in future demand response programs and strategies will be critical. To address this, we’ve developed a comprehensive education strategy to aid Manitobans in their understanding of demand response and how our collective actions will result in benefits to the electric grid and ratepayers.

Preparations for the next Efficiency Plan (the Plan) began in 2025/26. Work included research, data analysis, engagement planning, and early discussions with interested parties as they relate to the Plan. Building on the program enhancements implemented since our inception, the Plan will outline how energy efficiency and demand response will continue to support affordability, provide economic benefits to Manitobans, and contribute to the province’s plan to address evolving energy needs.

We participated in Manitoba Hydro’s 2025 IRP process, which examined the options for meeting the province’s future energy 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 make it a valued and important option to maximize in managing a growing energy load and the shift away from fossil fuels. Within Manitoba Hydro’s 2025 IRP, the quantity of energy efficiency and demand response equate to the build of a substantial “efficiency power plant,” which we’ve demonstrated capability to deliver.

Planning for electric energy savings achievement in advance of a rapidly growing electric load will continue to present challenges in satisfying the electricity savings target. This evolving reality of a decarbonized future alongside the increasing complexity and cost of acquiring new energy efficiency opportunities will require flexibility, nimbleness, continued adaptations, alignment, and support. The achievement of longer-term energy savings will be influenced by multiple factors including Manitoba’s 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 increasingly more challenging to capture. Amongst the challenges and uncertainties, we’re committed to continuing to deliver on our expanding role along with 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 2025/26.

### Operational adjustments

In 2025/26, we continued to implement changes including launching new offers, increasing customer incentives, and expanding customer eligibility criteria to increase customer participation in our offers (see pages 20 to 22 of our Annual Report for additional details). Our intent with these operational adjustments and program modifications was aligned with our core objective of encouraging customers to invest in energy efficiency, driving energy savings across the province.

# 2025/26 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 2025/26 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 2025/26 | Gross (real) savings<br>(Net savings as defined in the Efficiency Manitoba Act) |                   |
|---------------------------------------------------------|-------------------|---------------------|---------------------------------------------------------------------------------|-------------------|
|                                                         |                   |                     | Actual                                                                          | % of 2025/26 plan |
| Electric                                                |                   |                     |                                                                                 |                   |
| Electric savings (GWh)                                  |                   | 338.0               | 265.7                                                                           | 79%               |
| Evaluated electricity savings as a percentage of load   | 1.5%              | 1.51%               | 1.16%                                                                           |                   |
| Electric acquisition cost (\$/kWh)                      |                   | \$0.17              | \$0.20                                                                          |                   |
| Natural gas                                             |                   |                     |                                                                                 |                   |
| Natural gas savings (million m³)                        |                   | 20.61               | 18.59                                                                           | 90%               |
| Evaluated natural gas savings as a percentage of volume | 0.75%             | 1.22%               | 1.16%                                                                           |                   |
| Natural gas acquisition cost (\$/m³)                    |                   | \$1.61              | \$1.41                                                                          |                   |

## 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 (“evaluator”). The evaluator is responsible for 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 toward 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 2024/25 weather-adjusted actual consumption.
- ➔ Natural gas savings as a percentage of volume is based on actual 2024/25 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 | 2025/26 |
|----------------------------|---------|
| Annual (MW)                | 45.2    |

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 | 2025/26 |
|-----------------------|---------|
| Annual (\$ million)   | \$15.9  |

The dollar savings presented here are from both electric and natural gas savings. The federal carbon charge was removed effective April 1, 2025, and this change is reflected in the customer bill savings. To the end of the 2025/26 fiscal year, cumulative customer bill savings represent over \$63 million annually, with persisting cumulative customer bill savings of over \$206 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 | 2025/26 |
|------------------------------------|---------|
| Annual (CO <sub>2</sub> eq tonnes) | 35,000  |

To the end of the 2025/26 fiscal year, cumulative greenhouse gas emission reductions (CO<sub>2</sub> eq) represent over 140,000 tonnes annually, with persisting cumulative greenhouse gas emission reductions of over 439,000 tonnes since 2020/21.



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