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A heat pump at a house under construction in Saanich. In B.C., 327 households have applied to switch from furnace oil. TIMES COLONIST

San Group lands \$2.5M for Alberni operations

Times Colonist

The Langley-based San Group, which operates lumber mills and a large value-added manufacturing facility in Port Alberni, will receive as much as \$2.5 million from the province's Manufacturing Jobs Fund for new equipment.

The company, which has invested more than \$100 million in the Alberni Valley, produces value-added and engineered wood products.

The money is for equipment for an innovative process that creates engineered cedar products using ultra-thin sheets of veneer, which means the company can use a fraction of the fibre and produce less waste compared to conventional products, while adding about 30 jobs at the plant.

"This infusion enables increased wood product manufacturing, fostering high production and bolstered environmental sustainability," president Kamal Sangha says. The investment serves as a step towards enhancing operational efficiency while with San Group's commitment to responsible and eco-business practices.

The money is part of a province-wide program through the \$180-million Manufacturing Jobs Fund to go to eight projects province-wide.

The goal is to help manufacturers grow operations with new lines, equipment and technology.

Cobble Hill Creative Wood and millwork is a company that specializes in second-growth wood. It will receive about \$2 million from the fund to expand and add new machinery investment in its production capacity and create jobs.

"Forestry jobs are spread across the province, including in smaller communities. By getting more jobs in manufacturing, we're supporting the future of our Premier Dav

Interest in heat-pump grants highest on East Coast, where oil prevails

MIA RABSON
The Canadian Press

OTTAWA — The three provinces most dependent on heating oil account for almost nine in 10 of the households that have applied for a federal grant to replace an oil furnace with an electric heat pump. But Ottawa's move last fall to make the program more appealing on the East Coast doesn't appear to have caused an immediate spike in interest.

Data provided by Natural Resources Canada show 12,572 applications were received for the oil to heat pump program since it launched on March 31, 2023, and almost 11,200 of those were in Prince Edward Island, Newfoundland and Labrador and Nova Scotia.

P.E.I. alone accounts for more than half the applications. Canada's smallest province is the most reliant on heating oil, with just over 52 per cent of households using oil for all or some of their heating needs as of 2020.

Almost one in five of those households applied for a heat pump grant between March 31, 2023, and Jan. 8, 2024.

The interest showed no sudden uptick after the federal government moved to increase the maximum grant to \$15,000 from \$10,000 in the fall.

In the first seven months of the program, before the grants increased, about 1,400 applications were received each month. In the two months after the announcement, that fell to fewer than 1,200 per month.

A spokeswoman for Natural Resources Minister Jonathan Wilkinson said the increase was announced but has not yet taken effect in either Prince Edward Island or Nova Scotia. Carolyn Svonkin said the increase only took effect in Newfoundland just before Christmas.

Svonkin said heat pumps are rising in popularity around the world, including in Canada. She said about 20 per cent of households in New Brunswick, Nova Scotia and P.E.I. now have them installed.

While heat pump grants are available in all provinces, only Newfoundland, Nova Scotia and P.E.I. are getting the grant increase, because they're also the only ones with a provincial part-

nership to deliver it. Ottawa is negotiating with other provinces.

Prime Minister Justin Trudeau set off a political uproar when he announced that the government was temporarily removing carbon pricing from heating oil and increasing heat pump grants in provinces that agreed to partner on the program.

The government insists it made the move because heating oil is already more expensive than natural gas, and people who use it need more time and financial aid to remove their oil furnaces and install electric heat pumps instead.

"To be blunt, the price signal on heating oil is not resulting in enough people being able to switch to electric heat pumps, despite people wanting to move to these cleaner home heating options," Trudeau said on Oct. 26.

Heating oil is about 40 per cent more carbon-intensive than natural gas, and at current prices, it costs three to four times as much to heat a similarly sized home with it.

There has been little interest

in the heat pump program outside of those three Atlantic provinces. About 730,000 households in Ontario and Quebec used heating oil in 2020, but fewer than 900 applications for heat pumps have been filed from those two provinces. About 12 per cent of Quebec households used furnace oil in 2020, and five per cent in Ontario.

In Western Canada, heating oil is extremely limited and interest in heat pump grants is low.

Fewer than 35,000 households in the three prairie provinces use furnace oil — about one per cent of all households — and a total of 11 applications under the heat program were received from Alberta, Saskatchewan and Manitoba combined.

In British Columbia, 84,000 households, or four per cent, use furnace oil, and 327 have applied for a heat pump grant.

The heat pump grants are available on an income-tested basis, with households only eligible if their total income is below the median income for their household size in their particular province.