



SDG 7 focuses our efforts on ensuring affordable, sustainable and modern energy for all.



COMMUNITY
FOUNDATIONS
OF CANADA

**The Learning
Institute**

Many community foundations are exploring the Sustainable Development Goals (SDGs) within their planning, granting, convening, Vital Signs and more. This Fact Sheet is part of a series that focuses on specific SDGs to engage and inspire community foundations of all sizes to deepen their work around these goals.

What is this approach?

The [targets of SDG 7](#) represent a global approach to affordable and reliable energy, substantial increases in renewables and rapid improvements in energy efficiency. The world has seen significant progress on SDG 7, with access to electricity increasing to 90% in 2019, but more needs to be done on energy efficiency, while the share of renewable energy increased by less than 1% between 2010 and 2018 ([source](#)). The energy industry is responsible for 60% of greenhouse gas emissions, and a shift to clean and renewable energy is essential to avoid dangerous climate change. In Canada, progress on energy efficiency and renewable energy has also remained stagnant ([source](#)), and more needs to be done to achieve SDG 7 by 2030.

Canada's national approach to SDG 7 is captured in the Federal Sustainable Development Strategy and includes a goal of generating 90% of electricity from renewable and non-emitting sources by 2030 ([source](#)). [Natural Resources Canada](#) is the federal lead on SDG 7, and Canada's approach focuses on three key areas: energy efficiency, clean electricity and renewables, and cleaner fuels ([source](#)).

Canada aims to realize this approach through a number of mechanisms including:

- Creating and enforcing regulatory standards, including energy efficiency, clean fuel standards and energy codes for new and existing buildings.
- Transitioning to a green economy through adopting a carbon tax, creating new jobs in green industries, investing in renewable energy and transitioning away from fossil fuels.
- Investing in green infrastructure and clean technology, including the modernization of the electric grid and the electrification of transportation, heating and cooling.
- Working with Indigenous peoples to support energy self-determination and reducing dependence on fossil fuels, especially in Northern communities.

Indigenous communities have long suffered the negative impacts of Canada's energy sector while reaping few of the benefits. Examples include the environmental effects of Alberta's oil sands and the displacement of communities by hydro energy projects, including the Peace River and Columbia River dams ([source](#)). The Truth and Reconciliation Committee (TRC) calls for an end to these injustices by emphasizing the requirement of "free, prior, and informed consent of Indigenous peoples before proceeding with economic development projects" ([Call to Action 92 i](#)). The Calls to Action also require that future investments in green infrastructure and transitions to a green economy provide long-term sustainable benefits for Indigenous communities including "equitable access to jobs, training, and education opportunities" ([Call to Action 92 ii](#)).

Canada is committed to a renewed relationship with Indigenous peoples based on the recognition of rights and partnership. As part of this commitment, all levels of government are seeking ways to improve access to cleaner, more reliable and sustainable sources of power for Indigenous communities.

— [CANADA VOLUNTARY NATIONAL REVIEW 2018](#)



Communities across Canada have different energy systems, needs and resources: Indigenous communities are continuing to advance energy self-determination through community-driven projects, Prairie communities face bigger impacts on employment as they transition to a clean energy economy ([source](#)), while Maritime communities struggle with higher rates of energy poverty ([source](#)). Action at the local scale is key for achieving SDG 7 especially as "Canadian cities, towns and villages have influence over approximately 60 percent of energy consumption in Canada" ([source](#)).

Community approaches to SDG 7 include:

- Improving energy efficiency in homes and public buildings through retrofits and improvements in insulation and efficient heating.
- Creating sustainable energy businesses and social enterprises.
- Adopting energy-efficient building codes, including passive heating designs.
- Spearheading community awareness campaigns on energy efficiency and consumption.
- Supporting electric vehicles and low-energy transport options.
- Training workers in fossil fuel industries to move into green jobs, such as the renewable energy sector.
- Installing solar panels and solar water heating in homes and businesses.
- Carrying out community energy planning to clarify community priorities around energy with a view to increasing efficiency, reducing emissions and driving economic development.

Why is it important for grantmakers?

Energy systems shape our communities and drive our local economies. However, clean energy is one of the least funded goals in Canada with foundations providing only \$11 million in funding to SDG 7 in 2016/2017. This lack of funding may be due to Canada's abundance of cheap energy; however, Canada is one of the world's largest per-capita energy consumers ([source](#)) and greenhouse gas emitters ([source](#)), while renewable energy makes up only 19% of Canada's energy mix ([source](#)). There is clearly a need and an opportunity for grantmakers to provide greater support to communities as they transition to renewable energy, reduce energy consumption and increase energy efficiency.

WORDS YOU SHOULD KNOW**Energy Poverty**

Energy poverty is qualitatively defined as the experience of households and communities that struggle with meeting their home energy needs. Most households in Canada spend less than 3% of their after-tax income on their energy needs. Households that spend more than twice this value (i.e., more than 6% of their income) on securing access are thought to experience disproportionately high home energy cost burdens.

— [ENERGY POVERTY IN CANADA](#)

Not everyone has equal access to clean and affordable energy in Canada. Over 250 Northern communities rely on diesel for heat and power generation ([source](#)) and “the Maritimes have the highest rates of energy poverty in Canada, with 41% of the households in Prince Edward Island experiencing high home energy cost burdens” ([source](#)). Rural households in general experience a higher energy burden than their urban counterparts, with 29.3% experiencing higher energy costs ([source](#)). Energy poverty is often linked to energy inefficiency (including poorly insulated or heated homes) as well as reliance on generators for energy supply.

As a result, action on SDG 7 stands to benefit rural and remote communities with the opportunity to lower energy costs and strengthen economic resilience ([source](#)). Action on SDG 7 can also address gender and equity issues. The traditional energy sector tends to be male-dominated, with low racial and gender diversity, and a shift to renewable energies could increase opportunities for women who have a much higher representation in the renewable energy workforce ([source](#)). Community foundations are well placed to address these issues and to capitalize on the government’s commitment to clean energy and green infrastructure, with over \$40 billion invested in supporting clean energy during Canada’s COVID-19 recovery ([source](#)).



Renewable energy is much more in alignment with our Indigenous worldview and our way of being, as opposed to resource extraction. I never really knew what it was like to cry tears of joy until I started putting up the solar project. We built it all with local hands. I don’t think a lot of people actually realize that there are over 2,300 small-scale solar projects in Indigenous communities across Canada, and 180 large, revenue-generating renewable energy projects across Canada in Indigenous communities.

— MELINA LABOUCAN-MASSIMO,
[GENDER INEQUALITY IN CANADA: PLANET](#)

Grantmakers also have an opportunity to support reconciliation through investing in and supporting Indigenous sustainable energy projects. Across Canada, Indigenous communities are leading the way in developing community-based renewable energy that strengthens self-determination and provides clean and sustainable energy. In 2018, “one-fifth of all Canada’s electricity generation capacity [was] either owned, co-owned or [had] a defined benefit agreement with (...) Indigenous communities” ([source](#)). These represent thousands of small, medium- and large-scale clean energy projects that community foundations can invest in, support and partner with to advance reconciliation and progress on SDG 7.

Community foundations already see the importance of these issues and are working toward a range of SDG 7 targets including the following:

- The Ottawa Community Foundation created a fund to support [Indigenous Clean Energy \(ICE\)](#), a social enterprise that works with Indigenous communities to build capacity, collaboration and cooperation to achieve their clean energy visions.
- The Edmonton Community Foundation partnered with the City of Edmonton and Alberta Ecotrust Foundation to support the [EcoCity Edmonton grant program](#) and the City’s goal of reducing greenhouse gas emissions by 35% by 2035 ([source](#)). Funding included a solar project at the Alexis Nakota Sioux Nation that incorporated community job training.
- Upgrades of community buildings, such as [Hamilton Community Foundation’s project](#) to fund the rejuvenation of a local property that will provide a minimum of 56 affordable, accessible, energy-efficient apartments for community members.
- The Community Foundation of Greater Peterborough funded and participated in the development of the [Greater Peterborough Area Community Sustainability Plan](#), which includes a focus on energy efficiency and the increased use of renewable energy.
- The Community Foundation of Lethbridge and Southwestern Alberta, whose Vital Signs reporting revealed that 21 regional wind farms could generate enough energy for about 100,000 Albertans ([source](#)).

Common principles to get started

Action on clean energy is closely tied to other SDGs including action on climate change (SDG 13), a just transition to new forms of decent work (SDG 8) and developing sustainable industries, green infrastructure and clean technologies (SDG 9). Getting started with SDG 7 involves looking at how your work already impacts these issues and how action on SDG 7 could strengthen your existing programming.

01 Learn and understand

- See which communities are developing renewable energy projects by visiting [this online map](#). Explore opportunities to learn from and support these projects.
- Use Vital Signs and Vital Conversations to identify clean energy issues and opportunities in your community, including the prevalence of energy poverty.
- Learn about sustainable energy opportunities by meeting with local energy experts, including municipal officials, businesses, Indigenous organizations, NGOs and local institutes.
- Learn more about the creation and funding of community-owned renewable energy projects. See [this fact sheet by the Pembina Institute](#) and [this report by the Toronto Renewable Energy Cooperative \(TREC\)](#).

02 Apply an SDG 7 lens to your work

- Walk the talk and increase your energy efficiency and use of renewable energy. [EnviroCentre provides energy audits](#) for businesses, and the [Ottawa Community Foundation chose to purchase their energy through Bullfrog Power](#), which focuses on low-carbon and renewable energy.
- Include a focus on SDG 7 issues in your Vital Signs reporting. See the work of the Community Foundation of Lethbridge and Southwestern Alberta and the [media attention they brought to local wind energy](#).
- Analyze how current granting can incentivize action on SDG 7, including funding allocations for energy efficiency and use of renewable energy in existing grants, such as the construction or renovation of community buildings.

03 Strategic grantmaking

- Energy projects are a key opportunity for impact investing. Consider investing in [community energy bonds](#) or supporting clean energy entrepreneurs such as [Indigenous Clean Energy](#).
- Consider establishing dedicated funds that address the different dimensions of SDG 7, such as the work of [Berk's County Community Foundation](#) in the United States, whose fund “strengthen[s] the link between renewable energy, energy conservation, and sustainable development.”
- Address energy poverty in your community through targeted funds that support energy efficiency including education, retrofits and new building technologies.

04 Lead and collaborate

- Partner with Indigenous organizations and communities to support energy self-determination through community-led renewable energy initiatives. See the work of the [Edmonton](#) and [Winnipeg](#) community foundations.
- Fund community solutions to energy problems including energy planning and community power projects that emphasize the link to community ownership, decision-making and benefits. See [this report](#) for examples.
- Participate in larger partnerships to plan for your community's energy future. See the role of the [Community Foundation of Greater Peterborough in their community's sustainability plan](#).
- Consider pooling funds for greater impact, similar to the collaboration of the Edmonton Community Foundation in the [EcoCity Edmonton Grant Program](#) and the Ottawa Community Foundation's role in the [Ottawa Climate Action Fund](#).

WORDS YOU SHOULD KNOW



Community Bonds

Community bonds are a social finance tool, similar in many ways to a traditional bond. They are an interest-bearing loan from an investor, which has a set rate of return and a fixed term. The major difference is that, in addition to offering a financial return, they also offer a social or environmental return.

— [TAPESTRY](#)

Resource list

Canada's Energy Transformation: Evolution or Revolution?

- A policy report that provides a good overview of energy trends across Canada.
- Pages 11–20 look at how the Canadian energy landscape is changing.
- Pages 21–25 look at how these changes will play out in different provinces.

Energy Poverty in Canada: A CUSP Backgrounder

- Pages 2–3 introduce the concept and measures of energy poverty.
- Pages 4–8 provide an overview of energy poverty in Canada.

Powering Reconciliation: A Survey of Indigenous Participation in Canada's Growing Clean Energy Economy

- Pages 1–2 present key drivers and quick facts on the growth of Indigenous clean energy projects.
- Page 4–5 survey Indigenous energy projects across Canada and look at returns.
- Page 6 reviews the community and social benefits of clean energy projects.

Community-Owned Renewables Fact Sheet

- A four-page overview of community-owned renewables.
- Pages 1–2 look at the why and what of community renewable energy projects.
- Page 4 has key questions and steps to consider when developing these projects.

The Power of Community: How Community-Owned Renewable Energy Can Help Ontario Create a Powerful Economic Advantage

- Pages 4–9 introduce community power as direct participation in, ownership of and sharing of collective benefits from renewable energy projects.
- Pages 10–14 introduce the benefits of community power projects.
- Pages 18–19 provide a case study of the approach.

Community Bonds as a Pathway to Community Ownership

- A webpage with a short overview of community bonds as a tool for investing in community renewable energy projects.
- The webpage also covers the benefits of community bonds, including economic inclusion.

Community Energy Planning: The Value Proposition

- Pages 9–13 introduce the case for community energy planning.
- Pages 14–15 provide an overview of the community energy planning approach.
- Pages 16–33 look at the benefits of community planning in more detail.

Integrated Community Energy Solutions: A Roadmap for Action

- A report that looks at how energy intersects with other community issues.
- Pages 1-12 introduce an integrated approach to community energy issues.
- Pages 13-17 provide case studies of integrated community energy solutions.
- Pages 18-22 look at key strategies for achieving community energy solutions.

Funding Basics Guidebook for Community Energy Projects

- An Australian report that looks at different ways to fund community energy projects with a focus on community nonprofits.
- Pages 9-24 look at different kinds of funding.
- Pages 25-31 review factors for selecting funding approaches.
- Pages 32-34 look at success stories, business models and suggestions for overcoming challenges.