

Climate Change, Extreme Weather and the Need to Adapt NOW



PNWER

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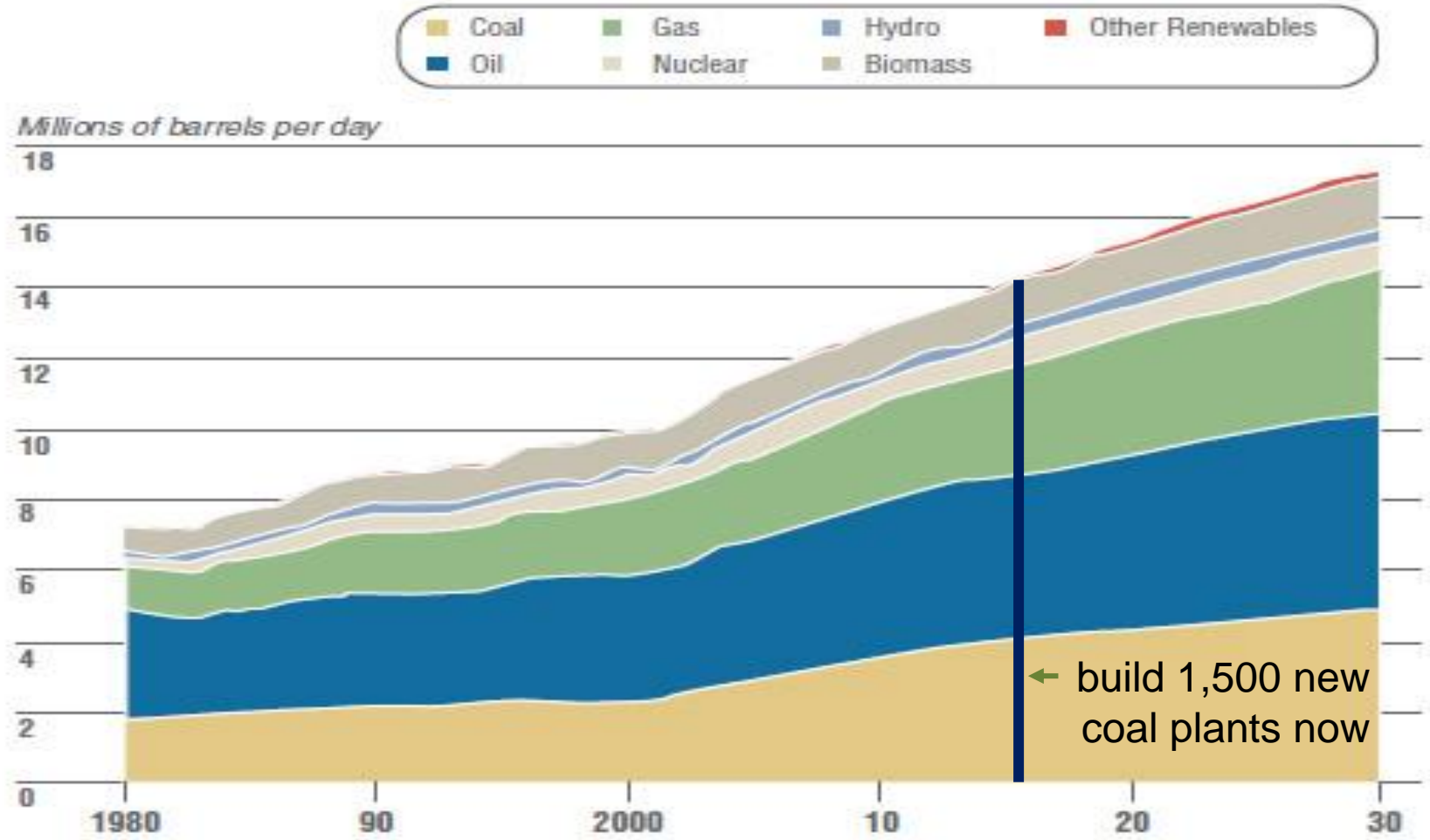
INTACT CENTRE
ON CLIMATE ADAPTATION

July 18, 2016



1. Growing severity of climate change & extreme weather – climate change is real and irreversible
2. Property & Casualty insurance costs are growing
3. Flooding → non-insurable housing → mortgage arrears
4. Home Adaptation Assessment Program (HAAP)
5. How to sell adaptation to political leaders
6. What groups are missing from the adaptation equation?
7. Conclusion/Questions

World Energy Supply

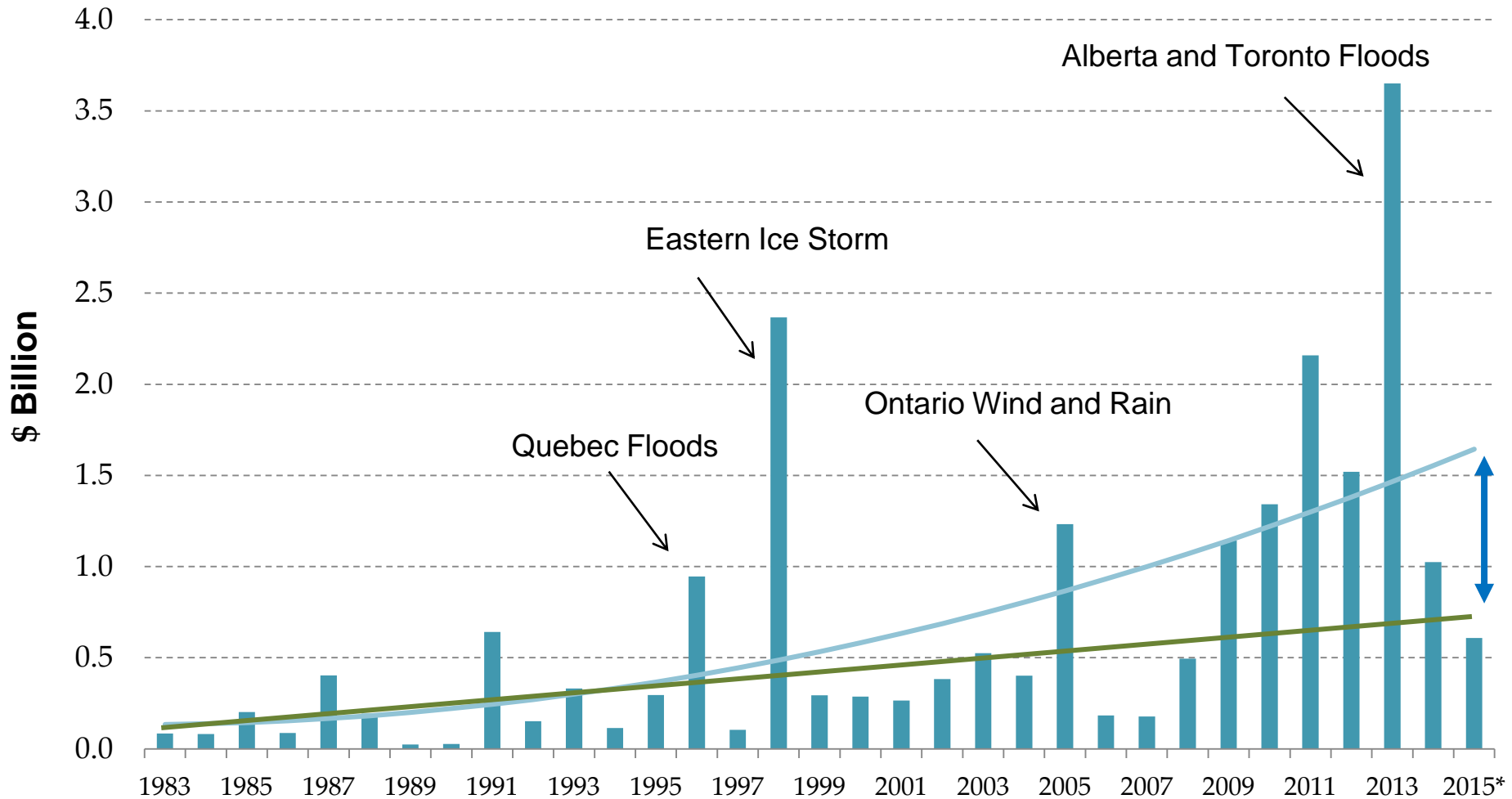


Source: International Energy Agency

1.5 billion new people

Escalating Catastrophic Insurable Losses

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HOME ADAPTATION ASSESSMENT PROGRAM

Home Adaptation Assessment Program (HAAP)

- Limits the potential for basement flooding
- Limits potential damage if basement floods

Technical Aspects of Assessment

- Assessment time per property = 1.5 - 2.5 hours
- Homeowner required to accompany assessor
- Assessment reviews 50 points of reference, both inside and outside house, to limit flood potential – e.g., disconnecting downspouts, contouring to direct water away from foundation, plastic covers over window wells, battery back-up for sump pump, etc.
- **ROI** – 1:7 per ten years (i.e., \$1 invested in HAAP will realize \$7 in avoided basement flood savings per ten years)



How to Sell Adaptation

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 “Low Hanging Fruit”

Adaptation Characteristic	Home Adaptation Assessment Program	Flood Plain Mapping
Positive ROI	Yes	Yes & No
Political Capital	Yes	No
Media are Positive	Yes	Yes
Nationally Applicable	Yes	Yes

What Groups are Missing from the Adaptation Discussion?

1. Banks & Credit Unions – focus on the mortgage side
2. Credit Rating Agencies – factor flood & extreme weather preparedness impacts into credit assessments of municipalities and publicly traded companies
3. Pension Funds – apply an “adaptation lens to all “low turnover stock” infrastructure investments
4. Securities Commissions
5. Legal – emphasize due diligence protection related to flood preparedness

CONCLUSION/ RECOMMENDATIONS

1. More severe weather is coming, guaranteed, as we continue to change the chemistry of the atmosphere
2. Canada must double-down on adaptation, to the equivalent of GHG mitigation efforts – remember, the benefits of adaptation are local
3. Must identify and move forward quickly on “sellable” adaptation initiatives
4. Bring non-traditional players to the adaptation table – e.g., Credit Rating Agencies, Banks/Mortgage market, Securities Commissions, Pension Funds