

Power Workers' Union Submission on Eliminating Renewable Energy Requirements

The Power Workers' Union (PWU) is pleased to submit comments and make recommendations to the Ministry of Energy, Northern Developments and Mines (MENDM) regarding the proposed elimination of renewable energy requirements in the *Electricity Act, 1998 (EA)* and the *OEB Act, 1998 (OEBA)*. The PWU is a strong supporter and advocate for the prudent and rational reform of Ontario's electricity sector and recognizes the importance of planning for low-cost, low-carbon energy solutions to enhance the competitiveness of Ontario's economy.

This proposal involves three changes to the *OEBA* and *EA*, and is part of the Ontario Government's ongoing effort to remove legislation and regulations that were introduced under the *Green Energy and Green Economy Act, 2009 (GEA)* to promote and prioritize the development of renewable energy. The changes, and the government's rationale for each, are as follows:

1. **Repeal section 25.37 and clause 114 (1.4) (0.a.1) of the EA**, which prescribes timelines for grid connection assessments for renewable energy projects and sets other requirements on LDCs and the IESO. These sections went together with O. Reg 326/09, which the government has proposed to repeal in a separate consultation, and the PWU supports removing.¹ These changes would create a level playing field by "bringing consistency for all generation types" seeking assessment, while reducing red tape and regulatory burden to improve Ontario's competitiveness. It also aligns with ongoing initiatives in the OEB and the IESO.
2. **Repeal sections 26 (1.1), (1.2) and (1.3) of the EA, and paragraph 1 of subsection 70(2.1) of the OEBA**. Together these sections create the authority to make a regulation that would give priority grid access for renewable energy generation facilities. No regulation was ever made under this authority, so this prioritization was never implemented.
3. **Repeal paragraph 2 of section 96(2) of the OEBA**. This section requires the OEB to consider the promotion of energy from renewable energy sources when determining if a leave to construct application of an electricity transmission project is in the public interest. This change is meant to focus the scope of the OEB's Leave to Construct hearings on system need, price, reliability, and quality of service. It is also in alignment with amendments made in 2020 to the *OEBA* to curtail the promotion of renewable energy generation.

The PWU supports efforts to bring consistency for all generation types, improve Ontario's competitiveness, reduce carbon emissions, remove unnecessary regulation, focus on reliability and quality of service, and leverage energy investment to enhance economic growth and development of high skilled jobs in Ontario. As such, the PWU recommends that the MENDM:

1. Proceed with the proposed changes to the *EA* and *OEBA*; and,
2. Continue to review the current legislative and regulatory framework for legacy regulations and language previously added to promote and prioritize the objectives of the repealed *GEA* regarding renewable energy.

¹ PWU, Proposed Revocation of O. Reg. 326/09: Mandatory Information Re: Connections of Renewable Generation Facilities, Electricity Act, 1998 PWU Submission to MENDM, February 2021

Recommendation 1: Proceed with the proposed changes to the EA and OEBA

The Ontario Government has implemented the *Green Energy Repeal Act, 2019* (GERA), ending the government's poorly designed and costly prioritisation of renewable energy. The repeal of the at-issue sections of the EA and OEBA are consistent with this change in policy and the PWU supports the MENDM proceeding with these changes.

Recommendation 2: Continue to review the current legislative and regulatory framework for legacy regulations and language previously added to promote and prioritize the objectives of the repealed GEA regarding renewable energy.

In previous submissions to the MENDM, the PWU recommended the government review the legislative and regulatory framework for legacy GEA-related language that prioritized renewable energy.^{2 3} The PWU appreciates that the Ontario Government is now performing this review, and is taking other steps to resolve these issues e.g., recent changes to the OEBA and the revocation of O. Regs 326/09 and 274/18. We also note that this consultation mentions the OEB's Distributed Energy Resources (DER) Connections Review Working Group, one forum where legacy language has been the subject of debate.

The PWU recommends that the government continue to align the regulatory framework to surface similar language in other legislation and regulations that, in turn, increase electricity costs to ratepayers.⁴ For example, Ontario's Distribution System Code (DSC) does not define "distributed energy resources" and instead refers only to "renewables" of different installation sizes. There may be such other artifacts remaining within the DSC and other regulations that have not been thoroughly reviewed, including the IESO Market Rules.

Closing

The PWU has a successful track record of working with others in collaborative partnerships. We remain committed to continuing to work with the Ministry of Energy, Northern Development and Mines and other energy stakeholders to strengthen and modernize Ontario's electricity system. The PWU is committed to the following principles: Create opportunities for sustainable, high-pay, high-skill jobs; ensure reliable, affordable, environmentally responsible electricity; build economic growth for Ontario's communities; and, promote intelligent reform of Ontario's energy policy.

We believe these recommendations are consistent with, and supportive of Ontario's objectives to supply low-cost, low-carbon, and reliable electricity for all Ontarians. The PWU looks forward to discussing these comments in greater detail with the Ministry of Energy, Northern Development and Mines and participating in the ongoing stakeholder engagements.

² PWU, Submission to MENDM, Proposed Revocation of O. Reg. 274/18: Siting Restrictions for Renewable Energy Generation Facilities, 2021

³ PWU, Submission to MENDM, Proposed Revocation of O. Reg. 326/09: Mandatory Information Re: Connections of Renewable Generation Facilities, Electricity Act, 1998, 2021

⁴ PWU Submission to MENDM, Changes to Ontario's Net Metering Regulation to Support Community-Based Energy Systems