

November 22, 2020

Cassandra Rosen
Minister of Energy, Northern Development and Mines, Conservation and Renewable Energy
Division
77 Grenville Street, 5th Floor
Toronto, Ontario
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RE: SolarShare and The Atmospheric Fund Feedback on Changes to Ontario's Net Metering
Regulation to Support Community-Based Energy Systems ERO#: 019-2531

SolarShare and The Atmospheric Fund (TAF) are very pleased that Ontario will be amending the net metering regulation to enable community-based energy systems. Updating this regulation will foster local economic development, reduce the cost of electricity, and increase community resilience. We applaud the government for taking this initiative.

Local economic development

Enabling community net metering will spur local economic development and create jobs through the development and construction of distributed energy projects. Long term jobs and economic benefits will be generated through the maintenance and operation of these projects. Ontario's distributed renewable energy sector is ready to get to work and build on our well-developed network of educators, developers, suppliers, professionals, builders, operators and investors. Local economic development can also be enhanced via community based models like SolarShare, whereby residents can invest in and benefit from their local infrastructure.

Project location and ownership

It is crucially important that community energy projects can be established in locations without an existing load customer. This will allow projects to be developed in the most appropriate locations for the technology and needs of the electrical grid in that region. It is equally important that the amendments to the regulation allow for renewable energy co-operatives and other community and private sector energy entities, and non-regulated arms of utilities to participate in the ownership and operation of community energy systems. This will encourage investment in community energy systems; without third party ownership the ability to develop these systems will be severely limited.

Lower cost and greater resilience

Renewable and distributed energy sources also reduce the cost of electricity to consumers due to lower levelized costs of electricity, and through better location of distributed energy resources that do not require significant transmission. Our electricity system will become more resilient in the face of more extreme weather. Distributed energy will benefit all electricity consumers, especially in rural areas where the cost of maintaining distribution

systems is very high and outages are more frequent than in regions of higher population density.

Grid interconnection rules and costs

Grid interconnection for distributed energy resources should be based on public, clear, regularly updated information and criteria to facilitate identification and assessment of potential community energy projects. Estimates of interconnection costs should be made available at as low a cost and quickly as possible. Grid interconnection rules should be harmonized across local distribution territories and costs should be limited to cost recovery.

Valuing distributed resources

It is crucial the government consider how distributed energy resources are valued. It is very important that distributed energy resources are compensated for electricity produced that recognizes the cost to electricity consumers. This could be accomplished by valuing electricity delivered to the grid at the same price of that delivered to the customer (e.g. time of use). The government should also compensate distributed energy projects based on their ability to provide needed services to the electricity grid, such as store electricity, support periods of peak demand, and regulate grid frequency. The price signals or credits provided as part of a net metering framework should be consistent across local distribution companies.

Prioritize local ownership and renewable energy

The government should prioritize local investment and ownership of renewable distributed energy projects. Local investment will ensure that economic benefits flow back to the community and facilitate acceptance and pride of regional infrastructure. Prioritizing low carbon renewable energy and storage distributed energy technologies, which are or are becoming the lowest cost option will leverage Ontario's well developed cleantech industry. Renewable energy technologies that do not require delivered primary energy (e.g. coal, natural gas, diesel) are more resilient and will help ensure that Ontarians are able to access electricity as we adapt to the changing climate.

We are eager to participate with our partners and the government of Ontario to demonstrate the benefits of community net metering projects and welcome any opportunity participate in the policy development process. Please contact Chris Caners at chris@solarbonds.ca or 416.977.7363 to discuss our recommendations and work together to enhance local economic development and resiliency.

Sincerely,

Chris Caners, P.Eng., C.E.M.
General Manager, SolarShare

Bryan Purcell
Director of Policy and Programs, The Atmospheric Fund

About SolarShare

[SolarShare](#) is a not-for-profit co-operative that owns, finances, and operates 49 solar facilities across Ontario, whose more than 1900 members have invested \$60 million in local, democratically controlled solar energy assets. As Canada's leading renewable energy co-op, SolarShare makes it easy for Ontario residents to invest in solar energy installations that earn an impressive return while doing something good for the planet.

About The Atmospheric Fund

The Atmospheric Fund (TAF) is a non-profit corporation that was created in 1991 with a mandate to advance urban solutions to climate change and air pollution for the Greater Toronto and Hamilton Area (GTHA). For 29 years, TAF has innovated, incubated and invested in low-carbon solutions. Please note that the views expressed in this submission do not necessarily represent those of the City of Toronto or other GTHA stakeholders.