



April 26, 2021

Rachel Thompson  
Ministry of Energy, Northern Development and Mines, Strategic Network and  
Agency Policy Division  
77 Grenville Street, 6th Floor  
Toronto, ON  
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Canada

To Rachel Thompson,

***Re: Environmental Registry of Ontario # 019-3007 – Ontario’s long-term energy  
planning framework review***

Thank you for considering this letter to the Ministry of Energy, Northern  
Development, and Mines with comments on Ontario’s long-term energy planning  
framework review. The comments are being submitted by QUEST – Quality Urban  
Energy Systems of Tomorrow.

QUEST is a national non-government organization that works to accelerate the  
adoption of efficient and integrated community-scale energy systems in Canada by  
informing, inspiring, and connecting decision-makers. The organization  
commissions research, communicates best practices, convenes government, utility,  
and private-sector leaders, and works directly with local authorities to implement  
on-the-ground solutions. QUEST recognizes communities that have embraced these  
principles by referring to them as Smart Energy Communities.

The feedback below has been developed by QUEST, in consultation with members  
of two Ontario-based QUEST working groups:

- The Ontario Community Energy Planning and Implementation Network (CEPIN) - made up primarily of municipal staff from across the province who work on community energy planning and climate change action planning in their respective municipalities.
- The Ontario Combined Heat and Power (CHP) Consortium - made up primarily of CHP customers, developers and service providers.

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*Executive Director /  
Directrice exécutive*

### **Consider all forms of energy planning in an integrated manner**

The refreshed long-term energy planning framework in Ontario should consider all forms of energy as part of a fully integrated energy planning process. These include electricity, natural gas, district heating and cooling, and other fuels, how they interact with each other, and the roles of each in working to achieve Ontario's climate change, resilience, affordability and reliability goals. For example, identifying regions with electrical capacity needs and overlaying with local thermal loads could lead to a more cost-effective system through heat capture and more competitive businesses and communities. All future utility resource planning should be fully integrated between the gas and electricity networks rather than done as separate activities. Furthermore, the framework should acknowledge and support the role that municipalities can play in achieving energy system goals and targets through community energy planning.

### **Energy efficiency, conservation first and virtual net metering**

The principle of conservation first should continue to be emphasized and prioritized as part of a revised energy planning framework in Ontario in terms of its potential impact on both energy and demand-design requirements. Cost-effective energy efficiency is the least expensive energy resource and should be embedded in the planning framework as the first option in all energy planning decisions. This includes demand response as a demand-side resource. Furthermore, third-party ownership of distributed energy resources and virtual net metering should be specifically included within the planning framework, resulting plans and enabling policies and regulations.

### **Energy data diversity, quality and transparency**

Ensure high quality data about all forms of energy and fuel sources used by Ontarians and all stages of the energy cycle (generation, transmission, storage and use) are considered in planning to support a holistic understanding and evidence-based decision-making. Share the data and assumptions used in energy decision-making with the public to support transparency and encourage innovation.

### **Enhanced engagement and whole of government approach**

The refreshed planning framework and planning processes will need to include extensive engagement with Indigenous communities, municipalities, community stakeholders and the Ontario public at large. The framework and resulting plans should be developed in an open, transparent and indeed holistic manner, in accordance with best practices in consultation and engagement. Furthermore, as much as possible, a whole of government approach should be applied when developing energy policies, plans, directions and regulations, to ensure that different ministries are aligned and do not contradict each other (i.e. energy,

environment, transportation, infrastructure development, land use planning and housing). Furthermore, the framework should consider coordination between the federal and the provincial governments on programs and actions to support shared goals for energy and the environment.

### **Energy poverty and equity**

Embed in the framework, mechanisms to ensure provincial responsibility and accountability for energy equity, affordability, sustainability and consumer safety to protect human health, community well-being and environmental protection.

### **Emissions factors and price signals**

One particular area of concern to QUEST and its network is the application of emission factors to evaluate how projects can contribute to achieving emissions reductions objectives. While the IESO has released avoided emission factors as part of the Annual Planning Outlook (APO) tables, there is insufficient description of the methodology and assumptions used in developing these emission factors. As an example of some of the issues with the data are the fact that summer on-peak emission factors are lower than during summer off-peak, without any explanation offered as to how this is possible. This is more important than ever as the Government of Canada has announced the carbon price will be increasing to \$170/tonne by 2030. Clear price signals are needed to drive rational behaviour that will help us achieve emissions reductions in the most cost-effective manner.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Tonja Leach". The signature is written in black ink and is positioned below the word "Sincerely,".

Tonja Leach,  
Executive Director, QUEST