



August 24th, 2023

Ontario Ministry of Energy,
Conservation and Renewable Energy Division
77 Grenville Street
Toronto, ON, Canada
M7A 2C1

**RE: Proposal to amend O. Reg. 509/18 under the Electricity Act, 1998 (“Efficiency Regulation”).
ERO Number 019-7341**

Dear Amanda Fishman,

Giant Factories Inc. and the A. O. Smith Corporation appreciate the opportunity to provide comments on the Ontario Ministry of Energy, Conservation and Renewable Energy Division (the Ministry) Regulatory Proposal to amend O. Reg. 509/18 under the Electricity Act, 1998 (“Efficiency Regulation”)¹ and look forward to continuing to be a resource to the Ministry in the future.

About Giant Factories and A. O. Smith

Giant Factories Inc. (“Giant”) is a water heater manufacturer headquartered in Montreal, Quebec since 1945. We are the last major water heater manufacturer in Canada directly employing over 300 people and indirectly supporting approximately 1,500 jobs in Canada through our suppliers and distribution partners. We manufacture electric, gas and oil residential and commercial storage water heaters. Our sale network is from coast to coast in Canada. In October of 2021, Giant became part of the A. O. Smith Corporation (NYSE: AOS) family of companies.

A. O. Smith Corporation (“A. O. Smith”), with global headquarters in Milwaukee, Wisconsin since 1874, applies technology and energy-efficient solutions to products manufactured and marketed worldwide with operations in the U.S., Canada, China, India, Mexico, the Netherlands, Turkey, and the UK. Listed on the New York Stock Exchange (NYSE: AOS), the company is one of the world’s largest manufacturers of residential and commercial water heating equipment and boilers, as well as a leading manufacturer of water treatment and air purification products. Along with its wholly owned subsidiaries, A. O. Smith is the largest manufacturer and seller of residential and commercial water heating equipment, high efficiency residential and commercial boilers, and pool heaters in North America.

¹ see <https://ero.ontario.ca/notice/019-7341>.

Proposal to amend O. Reg. 509/18

Giant and A. O. Smith (hereinafter “Company”) are supportive of the proposal to fully harmonize requirements and efficiency metrics for water heating products with NRCan through rolling incorporation. Our Company believes that harmonization of product scope, test standards and efficiency requirements for those products with NRCan’s regulation will provide clarity for manufacturers and ultimately will be beneficial for Ontario consumers. With this in mind, we also expect compliance dates to be aligned with NRCan regulations.

Our Company appreciates the effort put forward by the Ministry to ensure regulatory requirements in Ontario are aligned with those at the Federal level. In the absence of alignment within Canada, our Company anticipates major disruptions for manufacturers, wholesalers, retailers, and renters selling product in the country.

Sincerely,



Paul Hikspoors, Eng.
Director of Engineering