



December 16<sup>th</sup>, 2021

Ministry of Energy  
77 Grenville Street  
Toronto, Ontario M7A 2C1

**Subject: ERO #019-4554 Supporting Residential Roof-Top Solar and other renewable resources by clarifying eligibility of third-party leasing and financing net metering arrangements**

## **Background**

Essex Power Corporation (“EPC”) and its subsidiaries, including regulated Local Distribution Company Essex Powerlines Corporation, is submitting this commentary in support of the proposal described under Environmental Registry of Ontario #019-4554. In broad terms the proposal seeks to amend O. Reg. 541/05 (Net Metering), providing clarity on the eligibility of a customer who is leasing or financing electricity equipment used for net metering.

Essex Power Corporation and its subsidiary companies have long been vocal and active supporters and developers of renewable energy assets. In the case of Essex Powerlines Corporation, our LDC’s operations centre is host to a 75kW net metered rooftop solar PV system. Our subsidiary Essex Energy Corporation has been among Ontario’s leading solar PV developers since the first days of the Green Energy Act and continues to drive adoption and innovation in net metering.

## **Comments on Proposed Amendments**

The expansion of net metered renewable energy systems continues across the province and remains a key measure that furthers Ontario’s efforts towards a greener and more sustainable future. These initiatives require the visible and ongoing support of generators, distributors, regulators, and legislators if the benefits to electricity system operators and customers can be fully realized. By further clarifying the criteria to qualify as an eligible generator when leasing or financing net metering assets, electricity consumers can afford themselves to more options that further drive the adoption and installation of these important assets.

Essex Power Corporation supports these changes to the existing legislation. Furthermore, EPC encourages the Ministry of Energy to also consider additional supportive measures and policies that will further drive the adoption of renewables, net metering, and electrification throughout Ontario. ***To this end, EPC believes that legislation to enable the direct third-party ownership of net metered renewable assets, whereby the energy is sold to the facility owner by way of a Power Purchase Agreement, is a key measure to realizing the full potential of Ontario’s renewable, electrification, and sustainability efforts.***



As an additional consideration, furthering the adoption of accommodative net metering legislation can also provide benefits to communities at large. Specifically, the utilization of brownfield sites as a means to reduce regional carbon footprints is foremost among these benefits. ***EPC believes that these benefits can be further enhanced through the introduction of legislation to support Community Net Metering that extends well beyond the framework governing the single pilot that has currently qualified in Ontario.*** For example, municipalities or other entities could utilize community net-metered renewable energy to make productive use of land, that otherwise has little or no use, to host renewable energy generation that offsets a load at another location – virtually. This process improves the local economy through repurposing previously occupied or perhaps otherwise challenged properties, while not utilizing otherwise usable land, to reduce the carbon footprint of an offsite consumer, and helping Canada meet its targets for carbon neutrality.

The Essex Power Corporation firmly supports the proposal under consideration to revise existing legislation and encourages the Ministry to consider additional legislative changes to further accommodate the third party ownership of these important assets through suitable Power Purchase Agreements and Virtual Net Metering.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Avdoulos', with a stylized flourish at the end.

John Avdoulos  
President & CEO, Essex Power Corporation

cc: Steve Ray  
COO, Essex Power Corporation

Joe Barile  
General Manager, Essex Powerlines Corporation

Tim Sturgeon  
General Manager, Essex Energy Corporation

Gary McNamara  
Chair, Essex Power Corporation Board of Directors