November 1, 2024

Gabriel Weekes
Ministry of Energy, Conservation and
Renewable Energy Division
77 Grenville Street, 5th Floor
Toronto ON M7A 2C1

Re: Comments of the Ontario Association of Physical Plant Administrators on the 2025-236 Electricity Energy Efficiency Framework (ERO 019-9235)

Dear Mr. Weekes

Jupiter Energy Advisors submits this letter on behalf of its client, the Ontario Association of Physical Plant Administrators (OAPPA). OAPPA is a not-for-profit organization whose membership includes the physical plant administrators for provincially assisted universities in Ontario. OAPPA members have been engaged in significant efforts to reduce energy consumption and carbon emissions on their campuses. Post-secondary institutions are facing considerable challenges in their operating budgets, and access to incentives and financial supports will be critical to future efforts to continue to enhance energy efficiency in campus operations. OAPPA appreciates the opportunity to provide these comments on the Electricity Energy Efficiency Framework.

1. **Offsetting the cost of investments that mitigate the impact on grid electrical demand of strategies that aim to reduce carbon emissions through electrification.**

OAPPA notes that the EE Framework is to be designed with a clear focus on environmental sustainability. OAPPA members have established challenging objectives to decarbonize their energy systems, in some cases committing to achieve net-zero as early as 2040. A central strategy in meeting these objectives is the electrification of campus thermal energy systems.

In a climate like Ontario's, the electrification of thermal demand will add significantly to electrical energy demand and to winter peak system demand. Given the current grid supply mix in Ontario, higher grid electricity demand would result in higher grid emissions from gas-fired generation resources. These impacts of greater electricity demand can be mitigated if the energy systems implemented to achieve electrification are as efficient as possible.

Reconfiguration of campus energy systems requires a large capital investment, and the assets installed will be long-lived assets.

Technologies like ground-source and air-source heat pumps are significantly more efficient than electric boilers but are also much more expensive and involve more extensive system changes. Properly designed financial incentives for commercial and institutional customers under the EE Framework can assist energy users to adopt more energy efficient technology as they implement their electrification strategy. Given the magnitude of campus thermal demand, the potential avoided electricity demand could well exceed the demand reduction potential of other more traditional conservation program options, such as building envelope improvements.

Strategies like solar-battery hybrid systems can also facilitate greater electrification while mitigating the impact of increased demand on the grid-supplied electricity and reducing costs.

2. **Providing affordability**

Organizations that have been active in pursuing demand reduction and energy conservation have picked the low-hanging fruit. Future energy efficiency initiatives aimed at greater than incremental energy reduction improvements will involve significant capital outlay. The incentives available under the future Electricity Energy Efficiency Framework must be significant enough to materially improve the business case for these measures.

3. **Funding of the Energy Manager Program**

The Energy Manager Program has been of significant benefit to OAPPA members who have great potential for significant demand and energy reduction, but do not have the budget to employ a full-time energy manager. The Energy Manager Program should be re-introduced.

Energy conservation also calls for skilled technical resources for tasks like controls changes and recommissioning. Financial assistance for costs associated with these specialist human resources needed to implement energy efficiency measures would be a valuable enhancement within the Electricity Energy Efficiency Framework.

4. **Administrative simplicity to optimize delivery**

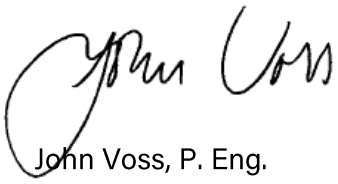
Simplicity in participation agreements that minimize burdensome legal obligations would contribute to the accessibility and efficient delivery of programs within the Electricity Energy Efficiency Framework. Organizations do not have the staff resources to wrestle with extensive and detailed agreements and application or reporting requirements to access funding.

We understand that the IESO will have a central role in administering the Electricity Energy Efficiency Framework, but that local utilities may play a role in local program delivery. Administration of programs by the IESO has proven beneficial. Institutional energy users often

receive service from more than one local utility, and accessing programs through the utility may, in some instances, complicate rather than simplify program administration.

We welcome the opportunity to further discuss or clarify the feedback presented here.

Yours truly,



John Voss, P. Eng.
Principal

cc. M. Quintana, OAPPA Energy Committee Chair