



November 1, 2024

Ministry of Energy and Electrification, Conservation and Renewable Energy Division
77 Grenville Street, 5th floor
Toronto, ON
M7A 2C1
Canada

Re: **2025–2036 Electricity Energy Efficiency Framework (ERO Number 019-9235)**

Sent via ERO portal

Ministry of Energy and Electrification:

I am writing on behalf of Wyse Meter Solutions Inc. ("Wyse") to highlight our support for the new energy efficiency or "eDSM" framework set to launch in early 2025.

About Wyse Meter Solutions

Wyse Meter Solutions Inc. ("Wyse") is a leading provider of innovative submetering and utility expense management solutions across Canada. With over 280,000 suites under contract in Ontario, Wyse delivers smart utility submetering and expense management solutions to building owners and developers to bring the best environmentally sustainable services to its residents. Our smart submetering technology offers utility-grade submetering to help consumers cut operating expenses and the consumption of energy in residences, while seamlessly integrating with property management software. We provide services to multi-residential dwellings, condominiums, commercial spaces, and student homes. Our services include thermal (BTU), electricity, water, and gas submetering systems, all of which contribute to reducing energy consumption and costs.

Aligned with Ontario's efforts to decarbonize, Wyse has also expanded its portfolio of services to include electric vehicle (EV) charging solutions through our EVSTART platform and also supports the installation of electric heat pumps and fan coils. We estimate that our range of products and services have already assisted in saving over 231 million kg of greenhouse gas (GHG) emissions in Ontario per year.

Supporting Energy Efficiency Programs in Ontario

Wyse would like to express our openness and interest in continuing to work with the Ministry of Energy and Electrification (MOEE) and the Independent Electricity System Operator (IESO) as you create the new energy efficiency or "eDSM" framework set to launch following the end of the existing Conservation and Demand Management Framework in December 2024. As Wyse prides itself on being a submetering utility that is highly supportive of customer choice, we strongly believe in the government's mission to ensure Ontarians have access to a variety of electricity programs that can help manage their energy bills and reduce their energy footprint.



As a unit submetering provider, Wyse believes it will have the ability to play a key role in advancing energy efficiency in Ontario.

Moreover, through this submission we want to address our support for the following:

- The benefits that unit submetering can play in supporting the provinces energy efficiency objectives;
- The importance of programming for multi-unit residential buildings, specifically for retrofits and new building construction;
- Heat pumps as a means of encouraging beneficial electrification;
- Ensuring Distributed Energy Resources (DERs) are a part of the energy efficiency framework as they can play a critical role in energy efficiency/smart meter technology;
- Pricing signals from the OEB on class B pricing;

Benefits of unit submetering for energy efficiency

We are first and foremost a unit submetering provider and believe this technology could play a key role in advancing energy efficiency in Ontario. Our experience gives us an unparalleled perspective on the energy efficiency benefits of unit submetering.

We were very pleased with the release of the Minister of Energy and Electrification's highly anticipated energy policy vision paper: [Ontario's Affordable Energy Future: The Pressing Case for More Power](#) which calls out "empowering customers through energy data", which is very much aligned with unit submetering and our vision for data access. We view empowering customers through energy data to be imperative as Ontario is on the cusp of an energy supply crunch. We also believe energy data will play a key role in the promotion of energy efficiency, reliability, and affordability across Ontario.

In buildings where residents/condominium owners do not pay for their electricity, there is no incentive for them to conserve. If access to unit submetering is further enabled across Ontario, the province could stand to generate even higher energy savings, while at the same time advancing decarbonization efforts and reducing utility costs for residents and building owners.

Unit submetering, uses meters to measure the electricity consumption (as well as other commodities such as water) of each individual unit in a multi-unit residential building (i.e., apartments and condominiums). This service is highly efficient, implementing precise energy usage data to enable each unit and tenant to understand their usage and be charged only for their actual consumption. It should be no surprise that when residents have visibility of their energy consumption and pay their own share of their energy use, they take ownership over their energy consumption behavior and simply use less energy. Wyse has observed clear and sustained reductions in energy use when residents and individual unit owners are able to take control of their own energy bills. According to our customer data, energy consumption decreases by upwards of 40% per individually submetered unit, when compared to those not suite metered.



It is estimated that there are approximately 250,000 units available in “partially” converted multi-res bulk-metered buildings that are not responsible for their electricity usage. In addition, a large number of buildings, built pre-2010, have no suite metering at all.

In buildings where residents/condominium owners do not pay for their electricity, there is no incentive for them to conserve. If access to unit submetering is further enabled across Ontario, the province could stand to generate even higher energy savings, while at the same time advancing decarbonization efforts and reducing utility costs for residents and building owners. Such a feat is particularly important now more than ever, as Ontario is on the cusp of significant energy demand growth, and enabling significant energy savings would support the province to bring on new generation to keep pace with evolving system needs.

The IESO and Ontario government should take this opportunity to **prioritize policies that encourage the expansion of unit submetering to enable the accompanying energy efficiency benefits**. Wyse believes the results speak for themselves:

	Electricity	Water	Thermal
Percentage of in-suite use on overall bulk-bill	50%	90%	50%
Per unit average bill for in-suite, non-metered resident (monthly avg.)	\$75 - \$125	\$40 - \$150	\$40 - \$100
Per unit average in suite reduction in consumption due to submetering	35%	22%	20%
Emission reductions per unit (monthly avg.)	7,741 grams CO ₂ E	Variable	Variable

Figure 1: Energy, cost, and GHG savings based on Wyse data.

Wyse recommends that Ontario undertake policy work to verify potential conservation of remaining bulk-metered MURBs in Ontario, and explore policy reforms to adopt models from other jurisdictions (i.e. New York, Nova Scotia, or Alberta) to enable MURB bulk-meter conversion in Ontario, or incentive programs (see below).

There are currently 250,000 multi residential units with installed metering, but that are not yet activated. If these units with installed meters were activated, following an appropriate notice period, it would yield approximately 417,000,000 kWh of savings per year. This could be done at zero cost to the province. In jurisdictions like New York, Nova Scotia, and Alberta, unit submetering is actually encouraged. These jurisdictions have frameworks that require 1-year notice before conversion (New York), or conversion to sub-metering during lease renewal (Alberta and Nova Scotia).

There are now clear benefits of using electric heating in the decarbonization of the energy systems in Ontario. Electric heating in buildings produces significantly lower levels of GHG emissions compared with natural gas heating systems. However, in Ontario residential landlords



are not permitted to separately meter the heating load if the suite is heated primarily by electricity without the express consent of the resident. As such, residents, and the electricity system, do not accrue the efficiency benefits of having a resident know and have control over their own energy use. This can perpetuate excess consumption and is a disincentive to *beneficial electrification* being considered by Ontario as it decarbonizes its energy systems. Approximately 150,000 suites in the province fall into this category. ***Ontario should lift the restrictions on metering units with electric heat.***

Wyse recognizes that there are also affordability considerations related to electric heating that Ontario must take into account. We believe that by installing heat pumps, when electric floorboard heating is used, will offer a solution to transition units to be individually metered. Paired with electric heating, heat pumps can be a cost-effective means to manage tenant energy costs, help reduce emissions and enable a new path to individually metering these units. Electric heat pumps are three times more efficient than legacy gas systems. ***Ontario should implement a program that encourages and incentivizes the adoption of heat pumps in electrically heated buildings that transition to individually metered units.*** This transition will support beneficial electrification, reduce emissions, reduce tenant costs and in turn will help reduce overall energy consumption as more people are able to see their energy use and take control over their bills.

Multi-Unit Residential Building (MURBs) Participation

Wyse is supportive of the new framework's focus to "*expand offerings for residential consumers to help all Ontarians reduce their consumption and save money on their bills*". We believe the previous framework did not focus enough on this segment, and did not provide specific focus on MURB participation, even though MURBs will be increasingly prevalent in the years to come. As Ontario moves forward with its plan to build 1.5 million homes by 2031, MURBs will be relied upon to provide desperately needed housing and increased density, especially in urban centres and surrounding public transportation infrastructure. Many of these existing buildings can be older and less efficient than their new construction counterparts. ***Future energy efficiency programming should be expanded to encourage the participation of multi-unit residential buildings (MURBs).***

This aging infrastructure will inevitably drive higher energy consumption, especially in areas with already-high electricity demand. Considering this context, existing MURBs, which total more than 5800 buildings in Ontario, should be included explicitly in future energy efficiency programming, and building owners and residents should enjoy a comprehensive suite of efficiency mechanisms and programs that help reduce their energy consumption, as well as their utility costs. As the province transitions towards higher density housing, it is crucial that residents living in multi-unit residential buildings, especially those with lower incomes living in affordable housing, have equal access to energy efficiency programming, to help manage ever challenging affordability issues.

Lastly, the Ontario government should consider the benefits of energy efficiency for MURBs beyond electricity consumption submetering. Specifically, Wyse has discovered that MURBs that choose to submeter their *water consumption* experience, on average, up to a 22% in-suite



reduction in per unit water consumption. Indeed, Ontario could benefit from greater efficiency and consumer reductions across a variety of utilities if it were to expand metering options beyond that of electricity submetering.

Heat pumps as a means of encouraging beneficial electrification

Wyse would like to take this opportunity to highlight the benefits of increased implementation of electric heat pumps as a central tool in energy efficiency programming over the years to come. Heat pump technology is the most energy-efficient way to heat and cool buildings and plays a vital role in the global shift towards decarbonization.

Wyse would first like to recognize that the province has begun incentivizing the installation of heat pumps for single family units and applauds this effort by the IESO and the Government of Ontario. This is a promising step in the expanded adoption of heat pump technology in the province. However, ***Wyse recommends that Ontario consider expanding these initial incentives to include multi-unit residential buildings in the new eDSM framework.*** As new multi-unit residential buildings are constructed, and existing buildings are retrofitted, the dominant heating solution tends to be natural gas. Wyse believes that this is a missed opportunity and electric heat pumps are a cost-effective technology and public policy tool that can help support decarbonization of our energy systems and become a key contributor to beneficial electrification.

Ensuring DERs are apart of the eDSM framework

DERs and distributed assets can perform load shifting services and become dispatchable/flexible resources in the future market, helping to manage the overall peaks on the electricity system, while helping to avoid local grid constraints. Through targeted incentives, they can be designed to support multiple services to customers (i.e., energy management, resilience), the utilities (i.e., distribution capacity), and bulk system needs (i.e., capacity, ancillary services, etc.), including being managed by third party providers.

Wyse believes that there is a significant opportunity for strategic market intervention into reducing system peaks through DERs and recommends that the new eDSM Framework including a focus on peak reduction.

The Ontario MURB sector is growing substantially, making up over 70% percent of new developments, and 5800 existing buildings in Ontario. If DERs, including storage, are enabled to participate as behind the meter resources in the MURB sector, these buildings can reduce significant demand over peak periods.

These types of offerings have been proven by the IESO in other sectors and built environments (i.e. agricultural), and the MURB sector is prime for uptake through incentives that enable cost-effective demand-side resources.

Introduce Greater Customer Choice for Class B Customers through new Price Signals:

While not explicitly enabled by the eDSM framework, Wyse would like to highlight the importance of providing greater customer choice and efficiency through improved customer pricing options. Wyse recognises the Ontario Energy Board's (OEB) Class B Dynamic Pricing initiative as a crucial



step forward in the evolution of Ontario's energy sector, with the potential to optimise the efficiency of our electricity system, attract investment and deliver price stability for a wide range of economically important customer groups, and building types.

Recently, the OEB staff presented two price proposals for consideration:

1. Non-RPP Time-of-Use (TOU1): Fixed Global Adjustment (GA) price depending on the period of day, but does not vary by season.
2. Real-Time Price (RTP): Hourly GA price that correlates with Ontario demand.

The OEB had originally presented a total of eight pricing options, including critical peak pricing (CPP) options, but later determined not to bring them forward. We believe that the Critical Peak Pricing (CPP) model, initially proposed by the OEB will deliver the greatest benefits for system efficiency, and therefore deliver the lowest costs to customers over the medium and long-term. Whatever model is ultimately adopted, we strongly encourage the MOEE to ensure sufficiently strong peaks are available to incentivize Class B customers to drive material investments into behind the meter assets, or other load management systems.

Conclusion

Wyse would like to acknowledge the importance of the province launching a new framework that can ensure a seamless transition in 2025, and importantly, one that covers a *12 year* period, with renewed focus on the residential sector, and highlights the importance of customer choice. These are priorities that resonate with Wyse. We work with residential customers in MURBs and see the importance of ensuring residents have choice and visibility of their energy use. We believe it is critical that they have the ability to participate in the energy efficiency programming available to other segments of the market, in cost effective ways that help reduce the overall consumption of electricity in Ontario. We hope our feedback helps with the design of new programming, along with other actions that the government can take to help achieve your overall goals.

We believe that both Wyse, the IESO, utilities, and government can work together on our shared objectives of ensuring energy remains affordable and reliable in Ontario with customers ultimately provided with greater choices. We would be happy to discuss these matters with you further at your convenience.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "P. Mills." in a cursive, slightly stylized font.

Peter R.J. Mills
Chief Executive Officer
Wyse Meter Solutions Inc.