May 17, 2025

**Energy Storage Canada: Feedback** [**ERO: 025-0409**](https://ero.ontario.ca/notice/025-0409)**– Proposed amendments to the Mining Act 1990, Electricity Act 1998, and Ontario Energy Board Act 1998, to protect Ontario’s Economy and Build a More Prosperous Ontario.**

Energy Storage Canada (ESC) welcomes this opportunity to provide comments on Proposed amendments to the Mining Act 1990, Electricity Act 1998, and Ontario Energy Board Act 1998, to protect Ontario’s Economy and Build a More Prosperous Ontario specifically as it relates to Limiting Foreign Jurisdictions’ Participation in Ontario’s Energy Sector.

As the national voice for energy storage, ESC represents over 110 companies across the energy storage value chain – technology providers, project developers, investors and operators, utilities, electricity distribution companies and NGOs. Ontario’s energy system is facing a pivotal moment in time as demand for electricity continues to grow at an unprecedented rate. Ontario’s demand is forecasted to increase from 151 TWh in 2025 to 263 TWh in 2050 – a 75% increase over 25 years. This is driving significant near-term and long-term needs. ESC believes that energy storage assets can offer an innovative solution to meet the province’s needs, while ensuring reliable, flexible, and affordable energy is readily available to ratepayers.

We applaud your government and acknowledge that Ontario is already leading the way on energy storage, securing nearly 3,000 MW of new battery storage capacity through Canada’s largest battery storage procurement. The province of Ontario has also signaled further opportunities through the Long Term 2 (LT2) procurement process, with more than 1600 MW in the capacity stream, and 7500 MW in the energy stream, and ongoing considerations for the Long Lead Time stream.

These procurements will not only be critical to ensuring the ongoing reliability and affordability of Ontario’s energy system, but play a foundational role in supporting the governments vision of energy security through enabled through Fortress Am-Can. ESC strongly supports the governments vision of bolstering Ontario as an energy superpower by building on our natural and commercial advantages, incentivizing the expansion of a NA supply chain of energy technologies and providers , and by unlocking Ontario's critical minerals. ESC like the government views energy as a pivotal economic development tool, one that can unlock prosperity for this province.

ESC also recognizes that the government is pursuing this energy growth agenda in an environment ripe with trade tensions not only with our neighbours to the South but internationally as well. Paramount to protection from these tensions is energy security here at home, however that protection must be sought in a way that preserves system reliability and is surgical in its approach to keep foreign antagonists out of our critical infrastructure.

ESC believes that the government can achieve its objectives of cyber security, economic development and maintaining system reliability if done so in a measured way, maintaining a path for ongoing investment in storage and competitive tension in future procurements. In an environment of increasing energy demand any sudden decision or restriction on a foreign entity could create a devastating market shock and leave no path forward for viable technologies.

Therefore, any action from government must ensure that there is a path for continued adoption of storage technologies for all applications such as a distributed energy resources, front of the meter or behind the meter resources and drive to create incentives that allow for a more fulsome domestic storage supply chain to be established.

As Ontario considers implementing a policy that restricts foreign antagonists and components from certain countries of origin, ESC offers the following recommendations as guidance:

1. If Ontario implements restrictions, we support the government’s proposal that it is not retroactive to existing contracted projects and focus on future resource procurement activities and not processes already launched, awarded and being implemented. This will also help to protect Indigenous opportunity, local jobs, and community investment agreements
2. The Government should consider many components are not currently available to procure domestically (i.e. cells and modules from China for storage).
3. ESC further recommends that any such measures be non-discriminatory, fact-based, and transparent — targeting specific national security risks rather than applying broad country-based exclusions. This approach will help maintain openness to trusted international partners, preserve investor confidence, and support Ontario’s vision of a globally competitive, sustainable, and secure energy economy in an evolving global landscape. Any restrictions should recognize that “BESS” are composed of a diverse range of technologies and components that are integrated into a final project. It is essential that comprehensive research is conducted to determine:
	* Which components/technologies can currently be produced within Canada or by reliable trading partners,
	* Which Components cannot currently be produced domestically, but for which manufacturing investments are committed to enable their production in the medium-term (by ~2030),
	* Which components cannot be produced at present, and for which no manufacturing investments are expected to be produced domestically for the foreseeable future.
4. If restrictions are pursued, there is strong rationale to prioritize technologies that may pose cybersecurity risks – namely telemetry. Incidentally, given our strong legacy telecommunications industries, Canada is better suited to manufacturing telemetry technology than many other BESS components.
5. Restrictions should focus on the Country of Origin as declared to CBSA at import to be the dividing line. Meaning a BESS unit where manufacturing of the EMS and integration occurs in a U.S. or Canadian factory counts as North American.
6. Seek to expand the scope of incentives to drive domestic supply chains and work with Federal government to enable ITCs with domestic content, Ontario tax credits, targeted investment and manufacturing funds
7. Energy storage is proud the progress so far in onshoring our supply chains including many technologies which would participate in the long lead time procurement. This will be an opportunity for the government to showcase our domestic energy sector.

As the voice for energy storage in Canada, we are eager to meet with you and support your objectives as Ontario undergoes a major energy transition. We look forward to meeting with you at your earliest convenience.

Sincerely,

 

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