

Nov. 16, 2025

Ministry of Economic Development, Job Creation and Trade  
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Toronto, Ontario  
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**Re: [ERO No. - 025-1077 - Consultation on Proposed Special Economic Zones Criteria](#)**

The Electricity Distributors Association (EDA) is the voice of Ontario's local electricity distribution companies (LDCs), representing the full spectrum of members across the province. The EDA represents Ontario's local hydro utilities, the part of our electricity system closest to customers. Publicly and privately owned utilities deliver electricity to residential, commercial, industrial, and institutional customers—powering every community in the province. The sector owns more than \$33 billion in electricity system infrastructure and invests more than \$3 billion annually in the electricity grid—that is the Power of Local Hydro.

### **Introduction**

The EDA is pleased to provide comments on ERO Notice 025-1077, which seeks public input on the proposed regulatory framework under the *Special Economic Zones Act, 2025* ("the Act"). We understand the Act, enacted through the *Protect Ontario by Unleashing our Economy Act, 2025*, is a response to recent international trade actions. Its stated goal is to support economic growth, build more strategically, and protect Ontario industries by unlocking new investment opportunities. The Act allows for the advancement of critical projects by creating modifications or exemptions to provincial laws on a case-by-case basis through future regulations.

Through its Notice, the Ministry of Economic Development, Job Creation and Trade ("the Ministry") is seeking public feedback on a proposed regulatory framework. The EDA appreciates the opportunity to provide feedback on the proposed criteria for designating zones, projects, and proponents, which will be established through regulations made by the Lieutenant Governor in Council.

### **Submission:**

The EDA supports the government's objective to create a coordinated pathway for provincially significant economic development projects. Ontario's LDCs are critical enablers of this economic activity, and we believe the success of the Special Economic Zones (SEZ) framework hinges on the safe, reliable, and timely connection of these projects to the electricity grid.

The ability to provide exemptions or modifications to permits and approvals for designated projects necessitates early, formal coordination with the utilities that must engineer, build, and maintain the enabling electricity infrastructure. To that end, we recommend that the Ministry incorporate the following considerations into its proposed regulatory framework.

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### **1. Formal Utility Participation in SEZ Approvals**

The proposed criteria for zones, projects, and proponents must be supplemented by a formal, consultative role for the LDC in whose service territory a zone is being proposed. LDCs should be involved in reviewing and approving SEZ designations and projects. As local electricity distributors, our members hold essential, localized information on system capacity, planned work, and construction sequencing. This information is crucial for assessing project feasibility and should be considered **before** a project is fast-tracked and granted preferential status.

### **2. Clear Criteria and a Transparent Process**

The EDA supports the Ministry's goal of promoting transparency in its regulatory processes. To achieve this objective, we recommend that the Ministry establish clear criteria for the eligibility of SEZ projects and maintain a transparent, publicly accessible, and continually updated list of proposed and approved projects. This level of transparency is crucial for enabling proactive planning by all stakeholders, including LDCs, and for ensuring public accountability.

### **3. Advance Notice for Utility Planning and Execution**

The EDA strongly recommends that SEZ projects be communicated to the affected LDCs with **adequate lead time** before the commencement of construction. Electricity infrastructure is complex and requires detailed planning, resource allocation, material procurement, and effective coordination with municipalities. Providing adequate notice is the only way to ensure that this fast-tracked development can be supported safely and efficiently by the local distributor.

### **4. Protect Existing Capital, Connection, and Reliability Work**

The ERO Notice references the province's ability to make exemptions and change laws to accommodate designated projects. The EDA proposes that the designation of preferred projects not come at the expense of existing customers or compromise planned system integrity. The EDA recommends that the regulatory framework require close coordination with affected LDCs to prevent any adverse impacts on current and planned LDC projects. Maintaining the integrity of existing work programs will help ensure reliability across the system and that all customers are treated fairly.

### **5. Confirmation of System and Resource Capability**

A criterion missing from the "Proposed Project Criteria" is a formal **confirmation of utility capacity**. Before a project receives preferential status, the Ministry should be required to confirm with the LDC that the necessary electricity system capacity is available. Furthermore, the regulations should require greater coordination with LDCs and their suppliers to ensure the availability of materials and resources to support expedited timelines.

### **6. Enable Utility-Led or Partnered Proposals**

The Ministry notes that proponents can include private entities and Crown corporations. To maximize the strategic benefit of the Act, we suggest that municipal corporations be explicitly referenced as entities permitted to nominate priority infrastructure projects or participate as partners in submissions. This would allow the Act to be leveraged for major, grid-enabling work that supports broad, long-term economic development goals. This includes projects essential for electrification, establishing data-centre-ready zones, and upgrading transit corridors.

## Responses to Specific Discussion Questions

In addition to the recommendations above, we wish to offer input on two specific discussion questions posed in the Ministry's proposal:

- **On Impact Beyond Dollar Value:** The Ministry asks how a project's impact should be considered beyond size or dollar value. We recommend the criteria reward projects with multiple "stacked" benefits. This includes alignment with other key provincial mandates, such as contributing to net-zero goals or supporting broader supply chain resilience.
- **On Local vs. Provincial Benefits:** Regarding the weighting of local versus provincial benefits, the EDA believes there must be clear, demonstrable local benefits (e.g., local employment, property tax revenue). **These local benefits should be a prerequisite, given that the host municipality and its LDC will be undertaking significant "heavy lifting" to support the SEZ.** Once clear local benefits are established, the broader provincial benefits can be fully considered.

## Conclusion

The EDA supports the intent of the *Special Economic Zones Act* to foster strategic economic development in Ontario. We believe incorporating these recommendations will strengthen the framework and ensure its success. Early and mandatory coordination with LDCs is the only way to ensure that proponents with designated projects can be connected to the grid safely, reliably, and within the expedited timeframes envisioned by the Act.

We look forward to working with the Ministry on this initiative. If you have any questions, please do not hesitate to contact Rudra Mukherji, Senior Regulatory Affairs Advisor, at [rmukherji@eda-on.ca](mailto:rmukherji@eda-on.ca).

Sincerely,



Ted Wigdor  
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