Twice Annual Effective Date Exemption Request for ICI Reg Amendment

The Ministry of Energy requests an exemption from the Twice Annual Effective Date (TAED) policy for a proposed amendment to Ontario Regulation 429/04, made under the Electricity Act, 1998 ("Ontario Regulation 429/04").

The government has announced that it intends to expand the Industrial Conservation Initiative (ICI), so that smaller consumers in the manufacturing sector can benefit as of July 1, 2017. The proposed amendments would allow eligible electricity consumers/market participants in the manufacturing sector (i.e., with NAICS codes commencing with the digits "31", "32", "33", "1114") in Ontario with an average monthly peak demand of greater than 500 kW and less than 1 MW to opt-in to ICI.

In addition, the government intends to amend Ontario Regulation 429/04 such that electricity consumers may continue to participate in ICI if their demand falls below the monthly peak demand thresholds while participating in certain prescribed conservation and demand management (CDM) programs and or certain programs and initiatives associated with the Ontario Climate Change Solutions Deployment Corporations ("OCCSDC") Programs and Pilots.

If the regulatory amendment is in effect on the date it is filed with the Registrar of Regulations for Ontario, the Independent Electricity System Operator (IESO) and Local Distribution Companies (LDCs), will have sufficient time to implement the expanded program to enable electricity consumers to benefit from ICI participation from July 1, 2017.

Should the regulation wait until the next relevant TAED of July 1, 2017, stakeholders would not be able to participate in the program until July 1, 2018 (i.e., counter to the stated government commitment).