Canadian Renewable Energy Association comments on *An Act to Amend Chapter 25 of the Acts of 2004, the Electricity Act* – Presentation to the Law Amendments Committee

Thank you for the opportunity to present on behalf of the Canadian Renewable Energy Association (CanREA). The Canadian Renewable Energy Association is the voice for wind energy, solar energy and energy storage solutions that will power Canada's energy future. We work to create the conditions for a modern energy system through stakeholder advocacy and public engagement. CanREA strongly supports these amendments to Chapter 25 of the *Electricity Act*. (20040 I would like to offer some specific comments on each of the major provisions of this legislation on behalf of our Association and our member companies.

1. Enabling the Governor in Council to make regulations respecting any aspect of the program

At present, Nova Scotia is relatively unique among Canadian provinces in that the specific terms and conditions of the Net Metering framework are each defined in legislation, as opposed to regulation.

There is precedent for allowing the Governor in Council to make regulations respecting any aspect of the Province's net metering program, as would result from the proposed amendment to Clause 1 of the *Electricity Act*. This amendment would introduce to Nova Scotia the same legal framework that currently governs Net Metering in Alberta[1], New Brunswick[2], and Ontario[3].

In British Columbia, Saskatchewan, Manitoba, Quebec, Newfoundland & Labrador, and the territories, retail rates for customers who generate their own renewable electricity are offered by the provincial or territorial crown utilities pursuant to government policy directives, with oversight from the relevant provincial/territorial regulatory authorities.Prince Edward Island is the only other jurisdiction in Canada that defines specific Net Metering terms and conditions in legislation[4].

[1] Alberta Regulation 27/2008 under the Electric Utilities Act
[2] New Brunswick Regulation 2015-60 under the Electricity Act (O.C. 2015-263
[3] O. Reg. 541/05: NET METERING, under the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, Sched. B.
[4] Renewable Energy Act (Prince Edward Island)

2. Removing certain requirements with respect to a program that permits customers to generate renewable low-impact electricity for the customers' own use

Prior to the *Nova Scotia Electricity Plan Implementation Act* (2015), the maximum nameplate capacity for net metering in Nova Scotia had stood at 1,000 kW (1 MW); The *Act* reduced this limit to 100 kW. For context, a "big box" grocery store would have enough roof space for perhaps ten times as much solar PV as is allowed under the current limit (e.g. 1,000 kW), and an apartment building or condominium development would have roof space for 200 kW or more.

The current cap is highly constraining for multi-unit residential developments, particularly those targeting "Net Zero" (so energy efficient, the home only uses as much energy as it can produce from on-site renewable energy)[5]. A number of leading energy-efficient homebuilders are based in Nova Scotia, and their customers are increasingly demanding these high-performance homes as they seek to reduce their carbon footprints. Enabling these types of sustainable residential developments to move forward with larger rooftop solar installations will help to drive significant investment in the homebuilding sector.

The current cap also has a significant impact on the commercial, industrial and institutional sectors, essentially rendering on-site solar generation uneconomic for these larger consumers.

In Ontario, there is no generator capacity limit for net metering customers specified in the regulation, provided that the generation equipment is "primarily" for the customer's own use.

In Alberta, there is a 5 MW (5,000 kW) capacity limit on generation equipment, with the stipulation that maximum generator output cannot exceed total annual energy consumption at the customer's site or aggregated sites.

Lifting the 100 kW net metering cap would enable many more farmers, manufacturers, large retail stores and other critically important job-creators to more effectively manage both their energy costs and carbon emissions for decades to come, while helping to create hundreds of good-paying jobs for solar installers across Nova Scotia.

[5] Government of Canada Net Zero Future Building Standards: https://www.nrcan.gc.ca/energy-efficiency/energy-efficiency-homes/buying-energy-efficient-new-home/netzero-future-building-standards/20581

3. Allowing for the development of programs that will permit a customer, a group of customers or a third party to generate renewable low-impact electricity for a customer's or group of customers' own use.

The "Virtual Net Metering" (VNM) model enables a group of electricity customers to generate their own renewable electricity at an off-site location is well-established. While this type of arrangement is well-established in the US, it does not currently exist in Canada. This amendment would enable Nova Scotia to lead the country in establishing a first-of-its-kind, truly inclusive and equitable net metering framework.

The advantage of VNM is that it offers customers of all types and sizes a way to lower their electricity bill without any upfront costs or having to install a solar system on their home, building or property. For example, it would enable a low-income family that rents an apartment or a small business owner who may lack a suitable roof for solar to "own" or "subscribe" into a solar VNM project located nearby, such as on a larger building rooftop somewhere else in their neighbourhood. The consumers see the benefit on their electricity bill, and the solar generating system can be installed where it makes the most sense both for the grid operator and the local community.

We recommend that the Committee move forward with approving the Bill as proposed so that stakeholder consultation can move forward on lifting the Net Metering cap and developing a made-in-Nova Scotia Virtual Net Metering policy.

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