



Northwest
Territories Minister of Public Works and Services

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MR. ROBERT HAWKINS
CHAIR
STANDING COMMITTEE ON ECONOMIC
DEVELOPMENT AND INFRASTRUCTURE

Discussion Paper on Energy Efficiency Act

In the Legislative Assembly on October 5, 2015 I committed to MLA Bob Bromley to provide a briefing in written form to committee to highlight the major elements of the Draft *Energy Efficiency Act* discussion document.

As such, please find attached an overview of the major elements addressed in the draft discussion document.

A handwritten signature in black ink, appearing to read 'Tom Beaulieu'.

Tom Beaulieu

Attachment

c. Ministerial Energy Coordinating and Climate Change Committee

Mr. Gary Bohnet
Principal Secretary

Mr. Paul Guy, Deputy Minister
Public Works and Services

Mr. Michael Ball
Committee Clerk



Major Elements of the Draft NWT Energy Efficiency Act Discussion Document

The Department of Public Works and Services has completed a draft of the energy efficiency act discussion document. The department will complete an inter-departmental review process, present the document to the 18th Legislative Assembly for its consideration.

The draft document starts with an overview of what energy efficiency is, why energy efficiency should be pursued, as well as an overview of energy use trends in the NWT by sector. The draft then provides an overview of how energy efficiency legislation is structured in other jurisdictions in Canada and the types of products that are addressed in legislation.

Based on a jurisdictional scan of energy efficiency legislation in Canada, energy efficiency legislation is generally limited to the regulation of energy-using products, testing requirements, standards, labeling requirements, and enforcement mechanisms. The discussion document explores how an energy efficiency act might be implemented in the NWT, and approaches that could be taken given the unique circumstances in the NWT.

The draft document provides an overview of what Ontario, Nova Scotia (NS), New Brunswick (NB), Quebec and British Columbia (BC) have implemented in terms of energy efficiency legislation. The general goal for these jurisdictions is to permit stores to only sell products that reach a certain standard of energy efficiency, and to ensure transparency in what has been declared energy efficient through clearly visible labels on products.

By way of example, the types of energy using products regulated by Ontario, BC and NS are as follows:

Ontario Energy Efficiency Act	British Columbia Energy Efficiency Act	Nova Scotia Energy-efficient Appliances Act
Central air conditioners	Electric ranges	Electric ranges
Clothes washers/dryers	Clothes washers/dryers	Clothes washers/dryers
Dishwashers	Dishwashers	Dishwashers
Freezers	Water heaters	Water heaters
Furnaces	Refrigerators	Refrigerators
Heat pumps	Gas furnaces	Gas furnaces
Ovens	Air conditioners	Air conditioners
Ranges	Gas ranges	Gas ranges
Refrigerators	Electric motors	Electric motors
Room air conditioners	Fluorescent lamps/ballasts	Fluorescent lamps/ballasts
Pool heaters	Heat pumps	Heat pumps
Water heaters	Roadway lighting luminaries	Conventional roadway lighting
Prescribed appliances and products	Oil-fired furnaces	Oil-fired furnaces

	Dusk-to-dawn luminaries	Dusk-to-dawn luminaries
	Central heating boilers	Dehumidifiers
	Dehumidifiers	Vending machines
	Ice makers/storage bins	Ice makers/storage bins
	Distribution transformers	Transformers
	Compact fluorescent ballasted adapters	Compact fluorescent ballasted adapters
	Incandescent reflector lamps	Highmast luminaries
	Refrigerated display cabinets	Ceiling fans
	Fenestration products	Drinking water coolers
	Thermostats	Freezers
	Gas fireplaces	Internally lighted exit signs
	Gas and propane boilers	Incandescent reflector lamps
	Glazing	Solid fuel burning heating appliances
	Door slabs	
	General service lamps	
	Televisions	
	Video products	
	Compact audio products	

The federal government also has energy efficiency legislation and regulations. The regulations establish energy efficiency standards for a wide range of energy-using products. Regulations apply to energy-using products imported into or manufactured in Canada and shipped from one province to another. Of note is the fact that federal law and regulation on energy efficiency do not supersede provincial and territorial regulations, and in jurisdictions with energy efficiency regulations both sets of regulations would apply.

In discussions with the Government of NB, it was revealed that NB has directly adopted the federal lists of energy efficient products in its energy efficiency regulations, which lowers the administrative burden to develop and continuously update lists of energy efficient products, and ensures a more harmonized approach to regulation in Canada. The GNWT could take a similar approach with its regulations, taking into consideration the needs of the NWT, to simplify the development and administration of any proposed act.

The draft document also explores the issue of enforcement. Enforcement could involve hiring inspectors to ensure that the rules are being followed and could include such things as fines or other sanctions. This could be administratively burdensome and require resources to hire inspectors, travel across the NWT regularly, and enforce the fines or sanctions. There are other options to enforcement as well and these include: to not fully enforce, use a complaint based process, and to not enforce it at all. All of these types of mechanisms exist and are used in some form for enforcing various types of legislation in Canada.

Discussions with the Governments of NB and BC revealed that complaints based

enforcement works well and results in a self-policing regulatory environment. Essentially, retail outlets sometimes report on their competitors. As well, energy staff will sometimes take a quick look at products in stores, but there are not a lot of resources deployed for enforcement.

Fines for contravening energy efficiency legislation can start at \$10,000 and be as high as \$25,000 in the case of Ontario. In general the size of the fine can be based on whether it is a person or business that is guilty of an offense, or in the case of NB for instance, based on the length of time the offence has continued.

The draft document proceeds to discuss other ways that governments address energy efficiency beyond developing laws and regulations. Other things governments do include the provision of information, persuasion, provision of services, and incentives. The GNWT currently uses all of these other approaches.