

- 1 Q. a) Please summarize any policies in place for isolated systems in other Canadian jurisdictions
2 which address new customer requests that would increase load as result of installing electric
3 heating systems. In the response, please identify the policy directives from a pricing and
4 non-pricing perspective including any requirement for contributions from customers.
- 5 b) Has the Provincial Government issued any policy direction to limit the installation of electric
6 heating systems on isolated diesel systems? If so, please provide a copy of the policy
7 direction.
- 8 c) If policy direction has been issued on the installation of electric heating systems on isolated
9 diesel system, would this policy apply to the Nunatsiavut Government? If not, why not?

10

11

- 12 A. a) Some jurisdictions in Canada have policies in place to discourage or prevent the installation
13 of electric space heating in isolated systems.¹ Broadly, these policies can be categorized as
14 either pricing or service restrictions.

15 **Pricing**

16 Isolated systems in Nunavut (Qulliq Energy Corporation) and the Northwest Territories
17 (Northwest Territories Power Corporation) utilize pricing to discourage electric space
18 heating. In these regions, customers pay the full cost of service, which discourages electric
19 space heating due to the high cost.

20 The Government of Québec subsidizes home heating fuel by 30% so that it is competitive
21 with the cost of electric heat for off-grid customers. This program is targeted at discouraging
22 customers from switching heating sources.²

¹ Newfoundland and Labrador Hydro (“Hydro”) has not confirmed whether or not the legislation in each of the jurisdictions contains a direction or describes a provincial power policy requiring consumers in the province to have equitable access to an adequate supply of power, as is the case in Newfoundland and Labrador.

² “Heating Oil Subsidy Program,” Makivvik, <https://www.makivvik.ca/heating-oil-subsidy-program>.

1 **Service Restrictions**

2 In addition to the oil subsidy from the Government of Québec, Hydro Québec does not
3 permit customers located above the 53rd parallel to use electricity for space heating;
4 customers who violate this service restriction are subject to a penalty rate.

5 Manitoba Hydro limits residential off-grid customers to a 60 amp service panel. This policy
6 intends to limit customers' ability to install hardwired electric space heating.³ Commercial
7 customers can have larger panels, but they are sized to prohibit electric heat and are
8 required to use heating oil.

9 ATCO Electric Yukon does not allow hardwired electric heat in remote diesel systems;
10 however, this is difficult to enforce as only new connection requests are reviewed, and
11 customers are not subject to inspection after the connection is approved.

12 **Other Jurisdictions**

13 In Ontario, Hydro One limits any new connections once the community load reaches 85% of
14 the diesel generating station firm capacity. Once capital projects are completed to increase
15 capacity, new customer requests can be accepted once again. Capital upgrades are paid for
16 by the utility in non-Indigenous communities. In Indigenous communities, the capital
17 upgrades are paid for by the federal government (Indigenous Services Canada).

18 BC Hydro⁴ does not have a policy to discourage the installation of electric heat in isolated
19 systems; generation upgrades caused by load growth are covered by the utility, and no
20 customer contributions are required.

21 **b)** Hydro understands that in or about 1990, the provincial government directed all
22 government departments, agencies, and other publicly funded bodies not to install
23 additional electric heating in facilities located in communities that are serviced by diesel
24 generation.

³ This policy would not prevent the use of portable space heaters.

⁴ The British Columbia Hydro and Power Authority ("BC Hydro").

- 1 **c)** A cabinet directive to government departments, agencies, and other publicly funded bodies
2 would not apply to the Nunatsiavut Government as it is not a provincial government
3 department, agency or publicly funded body.