



The Honourable Peter Bethlenfalvy
Minister of Finance
c/o Communications Services Branch
Frost Building North, 3rd Floor
95 Grosvenor Street
Toronto, Ontario M7A 1Z1

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Re: 2026 Budget Consultations

LIEN

The Low-Income Energy Network (“LIEN”) is a joint program of the Advocacy Centre for Tenants Ontario (ACTO) and the Canadian Environmental Law Association (CELA), and is funded by Legal Aid Ontario. LIEN was formed in March 2004 to raise awareness about the impact of rising energy prices on low-income consumers and to work with policymakers and the utility sectors on sustainable solutions to energy poverty. Our vision is an Ontario where everyone has equitable access to conservation and financial assistance programs and services to meet their basic energy needs affordably and sustainably.

CELA

Canadian Environmental Law Association (“CELA”) is a public interest law clinic dedicated to environmental equity, justice, and health. Founded in 1970, CELA is one of the oldest environmental advocates for environmental protection in the country. With funding from Legal Aid Ontario (LAO), CELA provides free legal services relating to environmental justice in Ontario, including representing qualifying low-income and vulnerable or disadvantaged communities in litigation. CELA also works on environmental legal education and reform initiatives.

1. Provincial Support for Cooling as a Climate Adaptation Measure

As extreme heat events become more frequent and severe, there is an urgent need for targeted provincial programs to support landlords in providing adequate cooling for tenants. Cooling must be recognized as an essential climate adaptation and public health measure, particularly for low-income and vulnerable households.

Existing provincial energy retrofit programs currently assist owners of large buildings to improve energy efficiency. These programs should be expanded and more deliberately targeted to low-income rental housing. In addition, eligibility criteria should explicitly include building upgrades that enable effective cooling, such as heat pumps and other cooling-capable retrofits, as a core program objective rather than an ancillary benefit.

Canadian Environmental Law Association

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2. Enhancing the Ontario Electricity Support Program (OESP) to Reflect Cooling Costs

The Ontario Electricity Support Program (OESP) should be adjusted to account for increased electricity usage associated with cooling during summer months. As temperatures rise, tenants face higher electricity costs in order to maintain safe and habitable indoor conditions.

To address this, OESP on-bill credit amounts should be increased to reflect the additional electricity consumption required to adequately cool dwelling units during periods of extreme heat. Without such adjustments, low-income households may be forced to choose between health and affordability.

3. Expanding the Save on Energy – Energy Affordability Program

The Save on Energy – Energy Affordability Program (EAP) in Ontario does offer free cold climate air source heat pumps to eligible low-income households, including renters. However, the program's requirements for heat pump installations create significant barriers for many renters.

We recommend that the program be expanded to:

- Include renter households living in all building types, rather than limiting eligibility to detached, semi-detached, duplex, triplex, townhouse, or social housing buildings under three storeys; and
- Include renter households that currently rely on natural gas, propane, oil, or wood as their primary energy source.

Expanding eligibility in this way would advance equity, reduce greenhouse gas emissions, and improve both heating and cooling affordability for renters across the province.

4. Addressing Natural Gas Affordability Through an On-Bill Credit Program

Natural gas prices are volatile and unpredictable, with disproportionate impacts on vulnerable populations, including seniors, low-income workers, people receiving social assistance, rural residents, and Northern Ontarians. Rising heating costs are forcing households experiencing energy poverty to make untenable trade-offs between paying for heat and meeting other basic needs, such as food.

Currently, the OESP does not provide support to households that rely on natural gas for heating. To address this gap, we recommend the creation of an on-bill credit program for natural gas users, modelled on the OESP for electricity customers. A proactive, ongoing affordability program would reduce reliance on emergency assistance and provide greater stability for households facing persistently high energy costs.

5. Rate Affordability for Unregulated Fuel Types

Low-income rural Ontarians, many of whom heat their homes with oil, propane, or wood, are not adequately served by Ontario's existing energy affordability programs. While the Homelessness Prevention Program (HPP) provides critical support to households at risk of homelessness, its use for utility assistance is discretionary, crisis-based, and not guaranteed across municipalities.

Because oil, propane, and wood are unregulated fuels and fall outside the jurisdiction of the Ontario Energy Board, a dedicated provincial program is required. We recommend the creation of an ongoing monthly assistance program for low-income households that rely on these fuel types for home heating. Such a program would provide predictable, preventative support and help ensure energy security for rural and remote communities.

Sincerely,

Low-Income Energy Network



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