

April 21, 2026

Submissions by Canadian Environmental Law Association
In Re Bill S-4, 45th Parliament

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Submissions presented by Theresa McClenaghan, Executive Director and Counsel

Regarding Bill S-4, An Act to Amend the Energy Efficiency Act

Thank you for inviting the Canadian Environmental Law Association (CELA) to speak to the Energy, the Environment and Natural Resources Committee of the Senate in your study of Bill S-4.

CELA is a national ENGO and a specialty legal aid clinic. As such we focus in particular on environmental and energy issues of most concern to low income and vulnerable populations, including health and safety impacts. We are co-founders of and continue to oversee the Low Income Energy Network (LIEN) which advocates for solutions to energy poverty while championing energy sustainability and we also make these submissions on behalf of LIEN.

Energy efficiency is critically important to all Canadians, but especially to low income and vulnerable Canadians. Improvements of energy efficiency in relation to products, appliances and related systems are crucial in improving health, reducing greenhouse emissions, reducing energy use and related costs. Low income and other vulnerable communities are among the most impacted by climate change and often least positioned to take advantage of options to reduce those harms. Examples from our work include undue exposure and harm from heat events, energy poverty from being unable to afford costs of vital energy services, and exposure to catastrophic events in housing that cannot withstand those impacts. Accordingly the Energy Efficiency Act is an extremely important piece of legislation that can provide real assistance to all Canadians and to these communities to reduce these burdens and improve their lives. CELA supports the need to update and modernize this legislation. The provisions related to modern communications such as electronic communications, smart appliances, and digital appliances are much needed upgrades. Similarly, improvements and updates for more modern approaches to enforcement and compliance are welcome, including options for corrective action. Use of Administrative Monetary Penalties in constrained circumstances is also appropriate but should not replace the use of offence provisions in serious circumstances.

We submit that this legislation should be used to its full potential to reduce energy needs and costs of all Canadians including tenants and home-owners, seniors and young families. In this regard we recommend that it be leveraged to ensure that all of these communities have access to constantly improving energy efficiency at affordable costs. The best energy efficiency and most cost savings should not fall primarily to those who can afford the best top of the line equipment;

Canadian Environmental Law Association

T 416 960-2284 • 1 844 755 1420 • F 416 960-9392 • 55 University Avenue, Suite 1500, Toronto, Ontario M5J 2H7 • cela.ca

rather the energy usage of all equipment should be constantly improved. As such we recommend a periodic update of all energy usage standards enabled and mandated by the Act.

A principle of continuous improvement should at least be embodied in policy and implementation of the Act, and perhaps even added to the Act in its purpose statement such that the Act ensures ongoing measurable and meaningful improvement of efficiency standards.

We provide the following additional comments in relation to the proposed amendments.

Exemptions:

(a) The proposed section 25.1 should be amended to ensure that exemptions are only short-lived and truly exceptional circumstances. Currently, the Minister may “by order and subject to any conditions that the Minister considers appropriate” exempt any person or energy using product, or class of persons or energy-using products, from the application of the Act in four circumstances. The effort to harmonize standards in s.25.1(a) does not appear to be an emergency and should not be subject to this exemption provision. We also note with concern that harmonization should be clearly defined to ensure that there is no race to the bottom for energy efficiency standards. Finally, the proposed s.25.1(d) provides open-ended discretion to use exemption powers to “address any exceptional circumstance that may arise”.

Any exemption powers should meet the purposes of the Act and provide for more limited ministerial discretion. CELA recommends amendments to this proposed provision which would require that the Minister clearly articulate what exceptional circumstance is being met by use of the section and how the exemption meets the purposes of the Act. The requirement for the Minister to articulate that a longer term exemption is in the public interest in s.25.2(1)(a), that the benefits associated with the exemption outweigh the risks in s.25.2(1)(b), and that sufficient resources exist and appropriate measures will be taken to maintain oversight of the testing, manage any risks associated with the exemption and protect public health or safety or the environment in s.25.2(1)(c) should apply to all exemptions, but as objective factors to be met and not only “in the opinion” of the Minister.

(b) Regulatory sandboxes - We are supportive of a limited use of regulatory sandboxes with guardrails in order to encourage innovation in products for the purpose of reducing energy burdens. In that respect we strongly recommend that any such pilots allow for participation by low income and vulnerable communities to ensure that programs and access as well as user interfaces and other aspects are designed so as to meet the reality of tenant and owner households across Canada regardless of income. All too often innovation programs are targeted to high end markets and the resulting decrease in energy burden may result in the less able to pay population missing out on energy efficiency gains that have often had ratepayer and/or taxpayer support from new technology development.

Harmonization:

In relation to the provisions providing for the potential harmonization of energy efficiency standards with other jurisdictions it is essential to ensure these are not a “race to the bottom”. The federal standards as advanced over time should always be the “floor” and any allowance for compliance with another jurisdiction’s standards must always be predicated on evaluating that standard and ensuring it is at least as stringent as the federal standard. Further, such regulatory amendments must clearly provide that in the event that another jurisdiction’s referenced standard is weakened at a future time, the federal standard again becomes the effective standard for the purposes of this Act.

Similar concerns relate to the provisions related to referencing codes and standards outside of the regulations. Such extraneous documents must not be permitted to be a mechanism for reduction of regulatory efficiency and the stringency of such.

Coverage:

In addition to the important list of energy using devices and appliances already covered by the Regulation under this Act, we recommend that it should also cover medical devices that use significant energy supplies. When Ontario adopted the Ontario Electricity Support Program, which is a very important program providing on bill credits to low income households, it quickly added a list of such medical devices to a provision by which extra credit is provided. This is because many medical devices require continuous or frequent energy use and this can contribute significantly to that household’s energy requirements. On the energy efficiency side, this Act should be used in support of ensuring continuing improvement to the energy efficiency of those devices which are so critical to Canadians’ health in their households.

We support the addition of coverage for online sales and requirements for digital labels. For many Ontarians with challenges related to accessibility, mobility, or residing in remote and rural communities, online access to products has become essential. Ensuring that these products must meet the energy efficient requirements of Canadian law is an important provision to ensure that they are not adding to energy affordability burdens of these families.

We also support the inclusion of interoperability in the scope of the matters covered by the Act (definition of “energy efficiency standards”) to ensure maximum flexibility of consumers in the products they choose which also avoids consumer waste. Similarly we support expansion of that definition to include additional components of life cycle energy use, and applicability to product durability, including reference to water and energy conservation. It is important to not only keep materials out of waste streams, but to measurably improve the quality of life of Canadian households by reducing the frequency of replacement of major appliances and devices which otherwise can impose real hardship especially if breakdowns occur due to lack of durability. Often such occasions cause families to have to resort to other supports such as energy support programs run by municipalities or make difficult choices in relation to their households’ basic needs as we see in our energy poverty work.

In conclusion, CELA supports Bill S-4 as providing needed new tools in support of energy efficiency and encourage regard to the foregoing comments in relation to its implementation. We encourage the Committee to consider the following amendments

- Energy efficiency standards should be regularly updated with a goal of continuous improvement.
- The proposed exemption provided in s.25.1 should be amended to ensure that the Minister does not have open-ended discretion to exempt any persons or products from the Act without clear justification. The factors listed in s.25.2(1) should be considered for any exemptions but should be objective factors to be considered and not “in the opinion” of the Minister.
- Clear language with respect to harmonization must be included to ensure that harmonization does not result in any diminution of energy efficiency standards. There must be a clear demonstration of equivalency or the federal standard should apply.
- Regulatory sandboxes must be designed to serve low-income consumers.
- Medical devices should be included under the regulation.

All of which is respectfully submitted
CANADIAN ENVIRONMENTAL LAW ASSOCIATION and
LOW INCOME ENERGY NETWORK
Per
Theresa A. McClenaghan, Executive Director and Counsel
Jacqueline Wilson, Counsel