



Stash Energy Inc.
120 Carleton St.
Fredericton, NB
E3B 3T4

September 7, 2018

Prince Edward Island Regulatory and Appeals Commission
5th floor, Suite 501,
National Bank Tower
134 Kent Street
Charlottetown

Dear Members of the Commission,

Subject: PEIEC EE&C Plan Docket UE41400

Stash Energy is writing this letter in response to the Prince Edward Island Energy Corporation's (PEIEC) Electricity Efficiency and Conservation Plan (EE&C) application (the Application) to the Prince Edward Island Regulatory and Appeals Commission (the Commission) in accordance with section 16.1(2.1) of the *Electric Power Act*.

As noted in the Application, the PEIEC can be used interchangeably with efficiencyPEI, or ePEI, since ePEI is the independent energy efficiency utility with a mandate to pursue efficiency for all fuels and already provides energy efficiency services for Prince Edward Island (PEI).

Stash Energy has developed the only thermal energy storage system that works with heat pump technology. We have worked closely with the City of Summerside while developing our product and will be delivering our first units to residents in November 2018. Our product, the Stash M1, will meet the criteria for the 'Heat for Less Now' off-peak incentive program. This program has benefited ratepayers, the municipality, and the environment.

We support PEIEC's adoption of renewable energy sources and efficiencyPEI's work to promote and encourage the usage of energy efficient products. Indeed, Prince Edward Island is positioning itself as a leader not only in Canada, but in the world in terms of transitioning away from non-renewable sources of energy and utilizing them efficiently for the benefit of the consumer, the environment, and the province's bottom line.

However, despite these successes, we do have concerns about longer term demand management planning in the province – especially since PEIEC is constructing additional wind turbines. Wind power fluctuates and is often generated when demand is low in the middle of the night or midday. Also, Islanders are beginning to install solar panels and the rate of installations will increase for many years to come. The additional base load demand which heat pumps are adding will put pressure on an electricity grid which is increasingly reliant on fluctuating wind power can only be addressed with storage or fossil-fuel burning peaker plants. Without energy storage solutions, these renewable sources of energy cannot be used their most efficiently. Currently, efficiencyPEI only provides incentives for a very specific electric thermal storage (ETS) product, though there are many other types of storage solutions on the market and more being developed. This broader adoption of thermal storage technology aligns with the goals of the 2016/17 Provincial Energy Strategy and with the Climate Change Mitigation Strategy.

As noted in the Application, the Maritime Electric Company Ltd. (MECL) does not currently have a time of use (TOU) payment structure and this, to date, has prevented efficiencyPEI from providing incentives to ratepayers who purchase storage and other demand response products. If Prince Edward Island is to continue to be a renewable energy and efficiency leader, it needs to create an ecosystem which supports the adoption of energy storage and demand response products. This will require the provincial government, the public utility, and Maritime Electric to collaborate and create a framework which the Commission can support. Regulatory changes can take years to finalize, so if the PEIEC wants to continue its great progress, then the development of this regulatory and off-peak framework should begin, and a broader range of storage products should be eligible for off-peak incentive programs.

Thank you for the opportunity to comment on the Prince Edward Island Energy Corporation's Electricity Efficiency and Conservation Plan application. We look forward to working with efficiencyPEI and Maritime Electric to deliver savings to consumers while helping the public utility and the government meet its EE&C goals.

Sincerely,

Daniel Larsen, Stash Energy, Chief Product Officer



Jordan Kennie, Stash Energy, Chief Executive Officer

