

January 28, 2026

Honourable Victor Fedeli

Ontario Ministry of Economic Development, Job Creation and Trade
College Park, 21st Floor, 777 Bay Street
Toronto, ON M5G 2E5

Dear Minister Fedeli:

**Re: Proposed Approach to Implementing Mutual Recognition under the
Ontario Free Trade and Mobility Act, 2025**

This letter constitutes Efficiency Canada and The Atmospheric Fund's (TAF) comments on the [proposed approach to implementing the Canadian Mutual Recognition Agreement on Goods](#) under the Ontario Free Trade and Mobility Act (OFTMA), 2025, posted December 15, 2025.

Efficiency Canada is the national voice for an energy-efficient economy. Our mission is to create a sustainable environment and better life for all Canadians by making our country a global leader in energy efficiency policy, technology and jobs. Efficiency Canada is housed at Carleton University's Sustainable Energy Research Centre, which is located on the traditional unceded territories of the Algonquin nation.

The OFTMA regulations, as written, may unintentionally undermine high-priority Ontario policies around energy efficiency. Maintaining and enhancing Ontario's position as a clean energy superpower requires using energy efficiently and reducing reliance on U.S. natural gas imports. This is why Ontario committed to a [\\$10.9-billion electricity demand-side management framework](#) and supports [natural gas demand-side management](#). If Ontario adopts the proposed regulations, it will

allow less efficient equipment and appliances into its market, thus reducing energy savings and economy-wide energy productivity. Further, this will do very little to reduce the regulatory burden for trade across borders. Ontario has already harmonized with federal efficiency standards for [60 categories](#). Accepting lower-performance appliances from other provinces would encourage a race to the bottom for provincial energy efficiency regulations, where households and businesses lose from higher energy costs.

While we support the aim of the OFTMA regulations to reduce barriers to interprovincial trade, we urge the Government of Ontario to protect the energy and peak electricity demand reductions delivered by [O. Reg. 509/18: Energy and Water Efficiency - Appliances and Products](#) and prevent less efficient appliances and equipment produced in other provinces from being imported into Ontario.

Ontario has Canada-leading energy efficiency regulations for 15 categories of appliances and equipment that would be undermined by implementing the Mutual Recognition Agreement as proposed. For example, [British Columbia](#) and [Manitoba](#) have lower gas furnace efficiency standards than both Ontario and the [federal Energy Efficiency Regulations](#). Given that approximately [60 per cent](#) of Ontario's total residential and commercial energy use is from space heating, these lower standards could significantly increase utility bills. Energy efficiency protects affordability for households and businesses and [supports security in the ongoing trade war with the United States](#) (which provides the [majority of Ontario's natural gas supply](#)).

Provinces can protect their energy efficiency standards by listing them as an applicable requirement in Annex A of the [Canadian Mutual Recognition Agreement on the Sale of Goods](#) under the Canadian Free Trade Agreement. British Columbia is currently the sole province to do so, but Ontario has the opportunity to until June 30.

Energy efficiency is a powerful tool for unleashing Ontario's productivity potential, not a hindrance to interprovincial trade. Protecting Ontario's energy efficiency standards for appliances and equipment in the Canadian Mutual Recognition Agreement is integral to Ontario's [ambitions to become an "energy superpower."](#)

Thank you for considering these comments.

Sincerely,

Sarah Riddell

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Efficiency Canada

Bryan Purcell

Vice President, Policy and Programs
The Atmospheric Fund (TAF)

