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Dispelling the Myths of Sub-metering



In the ongoing pursuit by businesses for energy efficient tools to help combat climate change and find operational savings, there are few options as effective as sub-metering. Studies show that **when consumers are held accountable and made aware of their energy use, they're more likely to make conscious choices to lower their consumption.** Yet despite the obvious benefits of sub-metering, there remains a great deal of misinformation leading to consumer confusion. Below you will find the most common myths and facts to help you better understand electricity sub-metering in multi-residential buildings.

The first thing to understand is what exactly is electricity sub-metering. In multi-residential buildings, metering equipment is installed in electrical panels and closets to allow the measurement of individual unit consumption. Unlike bulk metered buildings, where the total electricity use is built into the rent and there's no incentive to conserve energy, **sub-metering allows residents to monitor their energy consumption and take control of their energy bills^[1].** In fact, Navigant Consulting Ltd. found that a unit in a **multi-**



residential building (such as an apartment or condominium) converted from bulk to sub-metering yields annual electricity savings of approximately 40 per cent in savings—savings that persist largely unchanged over time^[2].



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Myth one: sub-metering is a new practice that isn't regulated.

Sub-metering has been around for years and the sub-metering industry is highly regulated provincially and federally. Sub-metering companies such as Enercare are required to obtain licenses from the [Ontario Energy Board](#) (OEB) and must comply with the OEB's Unit Sub-metering Code around billing, collection and disconnection practices^[3]. In order for a sub-metering company to issue bills based on meter data, metering equipment must meet the stringent standards of Measurement Canada, the government agency responsible for ensuring measurement accuracy. Sub-metering companies are also required to comply with Ontario's [Energy Consumer Protection Act, 2010](#), and [Residential Tenancies Act, 2016](#), as well as other applicable legislation^[4].

Myth two: sub-metering is expensive and there are no programs to assist low-income families.

Sub-metering can seem expensive, as there may be some misunderstanding around the various charges on bills for electricity and delivery. In fact, in Ontario, **sub-metering charges**



are almost always lower than the fees charged by local utilities. It's also important to remember that **sub-metering holds the tenant accountable for their actual usage which results in behavioural changes around reducing energy consumption that create cost-savings in the long run.**

The cost for delivering a sub-metering program varies depending on the provider and the number of services delivered. Sub-metering companies, including Enercare, are required to obtain licenses from the Ontario Energy Board (OEB) to administer these programs and must comply with the OEB's code of conduct around billing, collection and disconnection practices.

There are a number of programs available to help low-income households with their electricity bills, such as the [Ontario Electricity Support Program](#) (OESP) and the [Low-income](#)

[Energy Assistance Program](#) (LEAP). The OESP provides monthly on-bill credit to reduce the cost of the electricity bill^[5], while LEAP is a one-time grant for those behind on their electricity or natural gas bills and facing a suspension of their services^[6]. If electricity costs were included as part of a customer's rent, these programs would not be available.

In addition to these programs, there are special rules in place for sub-metering companies to protect lower income residents, such as waiving security deposits and allowing longer payment times under arrears payment plans^[7].



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Other important rules to note:

- Residents cannot have their electricity supply disconnected for non-payment without having 10 days' notice.
- Residents are entitled to have their security deposit returned with one year of good payment history.

If a resident is overdue on paying their bills and facing disconnection, the sub-metering company must offer them the chance to go on a payment plan^[8].

Myth three: there's no way to know if a company is reputable or not

As with any service, it is incredibly important to select a reputable sub-metering provider that is transparent about fees and experience. **Enercare**, for example, **is the largest non-utility sub-metering provider and one of North America's largest home and commercial services and energy solutions companies.**

We have expertise in design, installation and ongoing service with over 250,000 sub-metering units under contract. To help consumers find out for themselves if a company is reputable, the OEB also has an Enforcement Process, which publishes information about energy companies that are not, or have not followed the rules since 2008^[9].



The truth is that sub-metering actually gives the power back to the consumers by allowing them to monitor, control and, most importantly, only pay for the energy they consume. At the end of the month, those who conserve energy are rewarded in the form of a lower electricity bill, all while contributing to a positive impact on the environment.



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About the author: John Piercy was appointed President, Connections in January 2018. He joined Enercare as Senior Vice President and General Manager, Enercare Connections Inc. in June 2016, with the accountability for the executive leadership and management of the sub-metering business.

John has more than 30 years of experience in the communications industry, holding a number of senior roles in marketing, finance, operations and product development with a variety of Canada's cable and telecommunications industry, including Atria Networks, Mountain Cablevision Ltd. and Allstream.

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[1] Toronto Hydro – Your Suite Meter Puts You in Control

[2] Enercare/Navigant Submetering Report (2016)

[3] https://www.oeb.ca/oeb/Documents/Regulatory/Unit_Sub-Metering_Code.pdf

[4] <https://www.ontario.ca/laws/statute/10e08>

[5] <https://www.oeb.ca/rates-and-your-bill/help-low-income-consumers/ontario-electricity-support-program>

[6] <https://www.oeb.ca/rates-and-your-bill/help-low-income-consumers/low-income-energy-assistance-program>

[7] OEB- Low-income Energy Assistance Program

[8] <https://www.oeb.ca/consumer-protection/rules-electricity-utilities>

[9] <https://www.oeb.ca/industry/rules-codes-and-requirements/enforcement-proceedings>