

VERSION NOTES 8/24 AND 9/21

- Evolving market research edits for the September 21, 2017 Advisory Group are marked with

CHANGES TO SLIDE

Slide #(s)	Description of change(s)
8	Status update slide to communicate progress on the market research phase
9	Focus groups were changed to interviews given timing and scheduling

- Evolving market research edits for the August 24, 2017 Advisory Group

Slide #(s)	Description of change(s)
8	Status update slide to communicate progress on the market research phase
10	Changes to workshop dates

VERSION NOTES 6/22 AND 7/20

- Advisory Group edits for the June 22, 2017 Advisory Group

Slide #(s)	Description of change(s)
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13, 15, 18, 19	Added financing sector
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- Advisory Group edits for the July 20, 2017 Advisory Group

Slide #(s)	Description of change(s)
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13, 15, 18, 19	Added insurance
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- Evolving market research edits for the June 20, 2017 Advisory Group

Slide #(s)	Description of change(s)
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8, 13, 15, 16, 18, 19	Updates to slides to reflect re-focus to c-level and similar positions
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- Evolving market research plan includes new slides for the June 20, 2017 Advisory Group

Slide #(s)	Description of change(s)
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9, 10	Status update slides added to communicate progress on the market research phase
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VERSION NOTES 5/18

- Advisory Group edits for the May 25, 2017 Advisory Group

Slide #(s)	Description of change(s)
10, 12, 13	LDC workshop and LDC surveys added
18	Achievable Potential perspective added
21	Added note about constrained zones
19, 22	Captures specific Advisory Group comments

- Advisory Group edits includes new slides

Slide #(s)	Description of change(s)
23, 24, 25	Achievable Potential perspective added



CONSERVATION FRAMEWORK MID-TERM REVIEW

DRAFT MARKET RESEARCH PLAN

JULY 20, 2017

NAVIGANT

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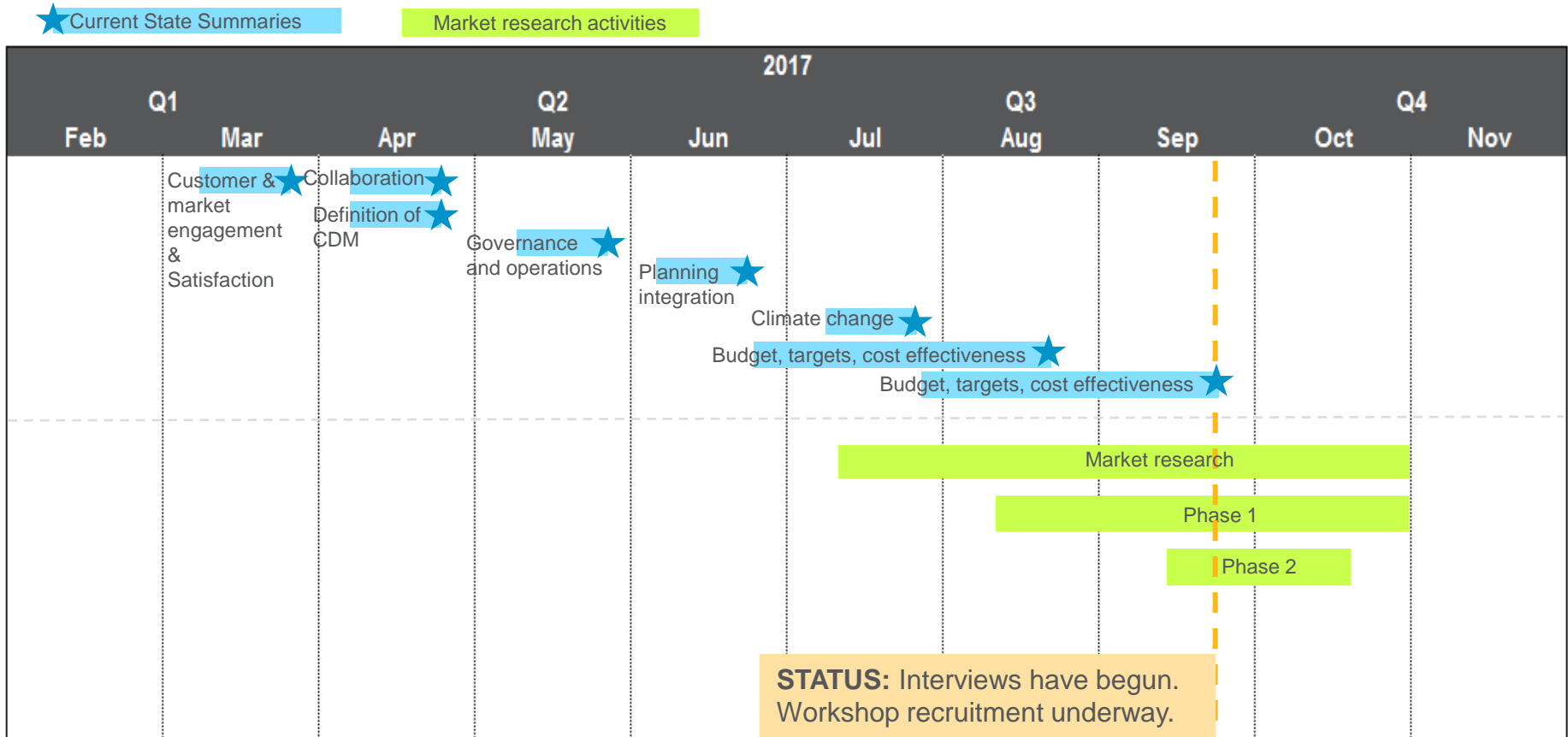
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STATUS UPDATE

PLAN TIMING

The graphic below illustrates the market research activities and phases that are planned to obtain information to support the achievement of the Conservation Framework Mid-term Review objectives. The current state summaries are shown for reference.



INTERVIEWS

- In the process of engaging a sub-contractor to enable the aggressive timeline to be met
- Interviews will be targeted at c-suite or equivalent individuals in an effort to obtain strategic feedback on the frameworks rather than program-specific issues
 - Program-specific/tactical objectives will be obtained through IESO EM&V processes and existing IESO market research
- Associations will be leveraged to obtain feedback from hard-to-reach groups
- Focus groups have been converted to interviews

WORKSHOPS

- Workshops will take place at IESO (120 Adelaide, Toronto)
- A summary of market research feedback will be shared via public webinar in October 2017

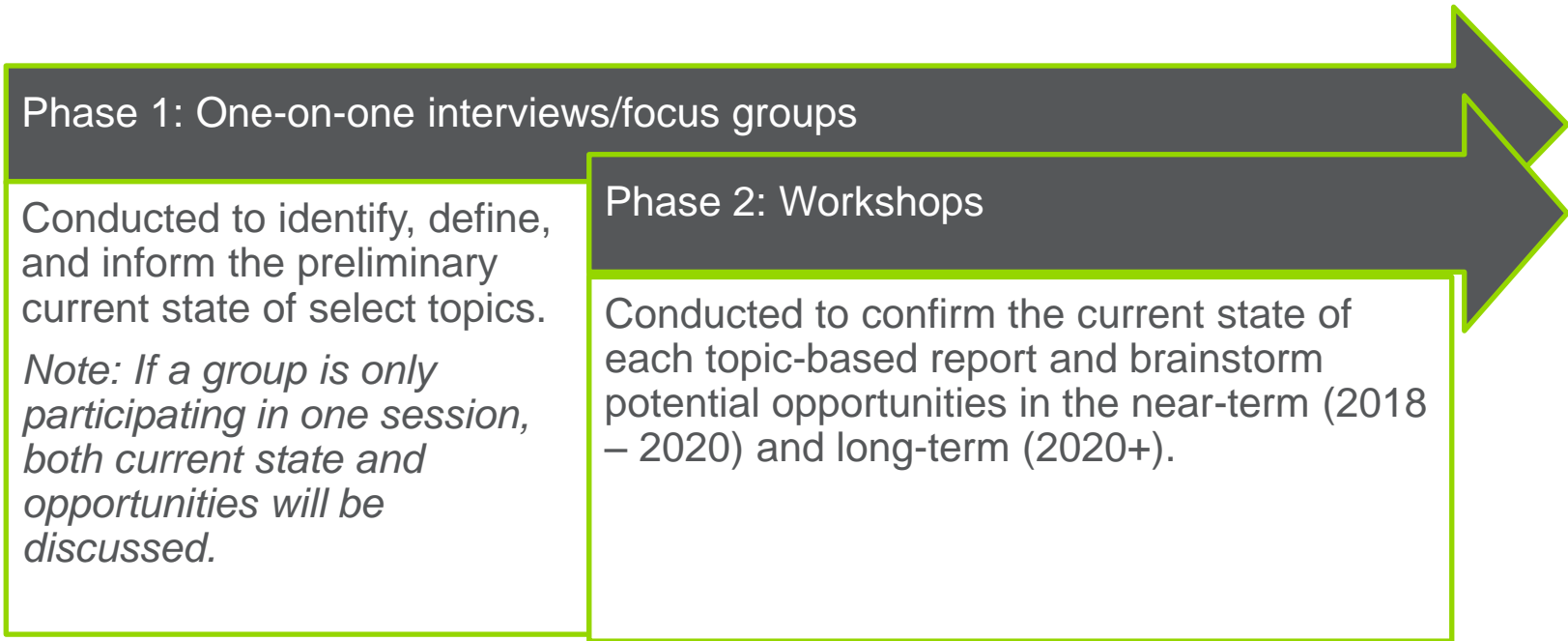
Date	Group	Anticipated # participants	Time
Thu Sep 28	OEB	~ 15	8:30 – 1:00
Fri Sep 29	Customers	30-50	8:00 – 5:00
Mon Oct 2	LDC and gas utilities	30-50	8:00 – 5:00
Tue Oct 3	IESO	20-30	8:00 – 5:00



OVERVIEW

RESEARCH METHODS

The graphic below illustrates research methods that will be used in concert with secondary data and analysis to inform the conservation framework mid-term review:



RESEARCH BY GROUP AND TOPIC

The graphic below maps the market research phases by topic and group. Additional detail will be provided on subsequent slides. It is important to highlight that the Advisory Group will also be providing input through the stakeholder engagement process.

Group	Customer & Market Engagement	Definition of CDM	Collaboration	Governance + Operations	Planning Integration	NEBs	Climate Change	Budgets, targets, CE
Industrial Accelerator Program customers								
Large and medium customers								
Associations (small business, low-income, MUSH, agriculture, etc.)								
Channel Participants	Consultants	PHASE 1: ONE-ON-ONE INTERVIEWS/ FOCUS GROUPS/SURVEYS						
	Contractors (non-res)							
	Distribution							
	Manufacturers							
	Retail							
	Contractors (res)							
	HRAI							
Financing, Insurance								
Individual LDCs								
Gas utilities								
Ontario Energy Board								
Customers	PHASE 2: WORKSHOPS							
Conservation First Implementation Committee and other LDCs								
IESO-Planning and Conservation staff								



KEY ACTIVITIES

II. KEY ACTIVITIES

PHASE 1: ONE-ON-ONE INTERVIEWS AND FOCUS GROUPS

Group		Method
Industrial Accelerator Program customers*		<ul style="list-style-type: none"> One-on-one interviews
Large and medium customers*		
Associations		<ul style="list-style-type: none"> One-on-one interviews
Channel Participants	Contractors (non-res)	<ul style="list-style-type: none"> focus group, non-residential focus
	Consultants	<ul style="list-style-type: none"> One-on-one interviews to gain in-depth market insights
	Distribution	<ul style="list-style-type: none"> focus group, upstream focus
	Manufacturers	
	Retail	<ul style="list-style-type: none"> focus group, residential focus
	Contractors (res)	
	HRAI	
Financing, insurance		<ul style="list-style-type: none"> One-on-one interviews
Individual LDCs		<ul style="list-style-type: none"> One-on-one interviews Surveys covering specific topics

Target:

C-level or equivalent senior level position.

Methodology:

One-on-one interviews and focus groups will be conducted to identify, define, and inform the preliminary current state of select topics.

Note: If a group is only participating in one session, both current state and opportunities will be discussed.

Guided by:

Issues for each of the topics mapped to the groups which are identified in the project plan.

* Participants and non-participants

II. KEY ACTIVITIES

PHASE 2: WORKSHOPS

Group	Method
Gas utilities	<ul style="list-style-type: none"> Workshops will be focused on collaboration and climate change.
Ontario Energy Board	<ul style="list-style-type: none"> Focus on understanding the opportunities and limitations to modify structural elements of the natural gas framework to enable collaboration (e.g., attribution, changes to DSM plans, Cost Effectiveness).
Customers	<ul style="list-style-type: none"> Workshop to brainstorm review current opportunities identified throughout the market research phases.
Conservation First Implementation Committee and other LDCs	<ul style="list-style-type: none"> Workshops(s) to map current processes, discuss research findings and brainstorm and scope opportunities.
IESO – Conservation and Planning staff	<ul style="list-style-type: none"> Workshop(s) with IESO-Conservation Staff on topics that influence the methodologies and objectives of both teams. Workshops(s) to map current processes, discuss research findings and brainstorm and scope opportunities.

Target:

Groups that are involved with the mechanics of the framework and can provide diverse perspectives.

Methodology:

Workshops, webinars, and surveys (if necessary) will be conducted to confirm the current state of each topic-based report. Workshops will be conducted to brainstorm potential opportunities in the near-term (2018 – 2020), and long-term (2020+).

Guided by:

Issues for each of the topics mapped to the groups which are identified in the project plan and current state summaries.



SEGMENTATION

II. SEGMENTATION

APPROACH

- Contacts for interviews and focus groups will be selected to target the following:
 - **Region:** Using IESO zones mapped to individual LDCs
 - **LDC Size:** Using the number of customers
 - **Industry:** Using program penetration by industry (North American Industry Classification System code)
 - **Highest Achievable Potential:** Using end use and sector data from the Achievable Potential Study (APS) to prioritize
- A summary of segmentation by group is listed below and subsequent slides will provide a more detailed explanation of each

Group		Region	LDC Size	Industry	APS
Industrial Accelerator Program customers				✓*	
Medium/Large customers (GS > 50 kW)		✓	✓	✓	✓
Associations		N/A	N/A	N/A	
Channel	Non-residential contractors	✓			✓
	Consultants	N/A	N/A	N/A	✓
	Manufacturers & distributors	N/A	N/A	N/A	✓
	Retail, residential contractors, and HRAI	✓			✓
	Financing, insurance			✓	
Individual LDCs		✓	✓		

II. SEGMENTATION

DETAILED SEGMENTATION

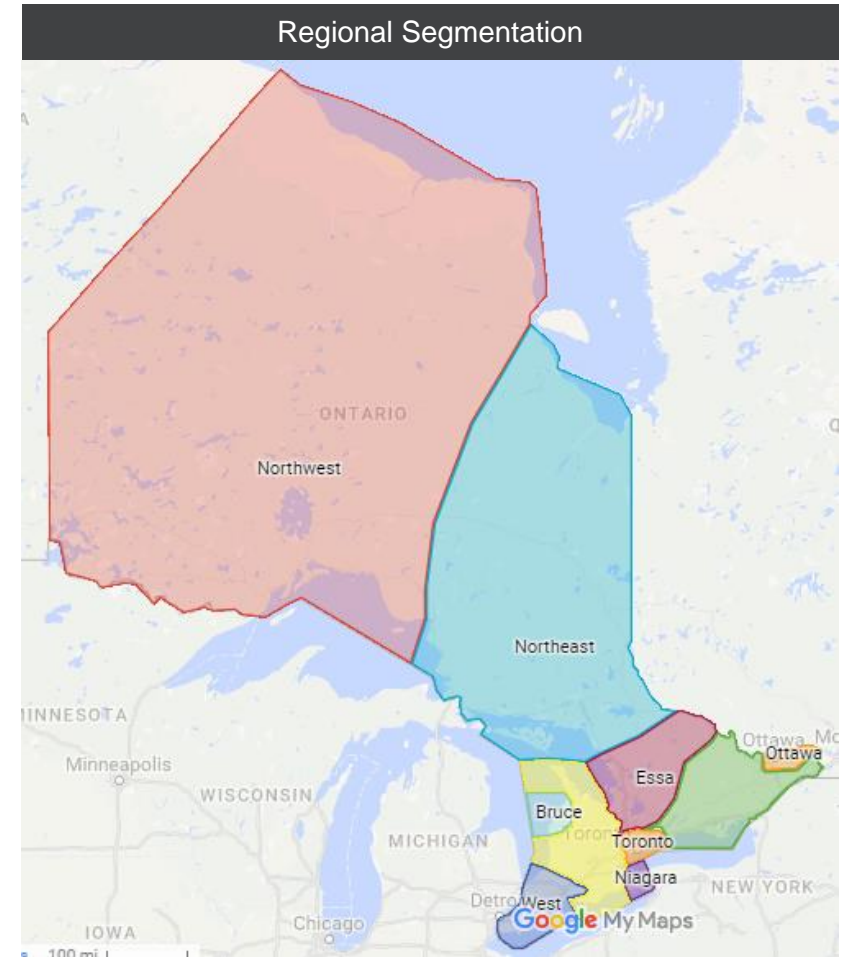
Group		Method	#	Criteria
Industrial Accelerator Program customers		Interviews	7	Participants (segmented by sector)
			4	non-participants (segmented by sector)
Medium/Large customers		Interviews	10	participants: industry, regional, and LDC size representation
			4	non-participants: industry, regional, and LDC size representation
			5	multi-site participants: industry representation
			2	multi-site non-participants: industry representation
Associations		Interviews	10-12	Targeting sectors/customer groups such as: Ontario Federation of Small Businesses, MUSH (Municipal, Universities, Schools, Hospitals), low income, indigenous, agriculture, consumers, etc.
Channel	Contractors (non-res)	Focus group*	1	Business focus: region and channel participant (4 regions * 2 channels * 2 contacts), participants and non-participants
	Consultants	Interviews	5	For example: ClearResult, Burman, engineering consulting contacts (participating and non-participating)
	Distributors	Focus group*	1	Upstream focus, participants and non-participants
	Manufacturers			
	Retail	Focus group*	1	Residential focus: regional representation, participants and non-participants
	Contractors (res)	Focus group*	1	Residential focus: region and channel participant (4 regions * 3 channels) , participants and non-participants
	HRAI			
Financing, insurance	Interviews	2	Residential and non-residential	
Individual LDCs		Interviews	15	region, experience with aspects of the Framework

*If scheduling senior level individuals in focus groups becomes a challenge, individual interviews will be scheduled instead.

II. SEGMENTATION

BY REGION

- Region: LDCs are split by IESO Zonal Map and grouped
 - Group 1 (North): Northwest/Northeast
 - Group 2 (East): Essa/East/Ottawa
 - Group 3 (South): West/Bruce/Southwest/Niagara
 - Group 4 (GTHA): Toronto



Source: IESO.ca

II. SEGMENTATION

BY LDC SIZE

- Size: LDCs are split between Small, Medium, and Large based on number of customers, LDCs will also be mapped to constrained zones as part of the planning integration current state summary

Sizes	
Small Utilities	Under 12,500 customers
Medium Utilities	12,500 to 100,000 customers
Large Utilities	More than 100,000 customers

Source: *Renewing Ontario's Electricity Distribution Sector: Putting the Consumer First*

Size Segmentation	
Size	#
Small	26
Medium	36
Large	6

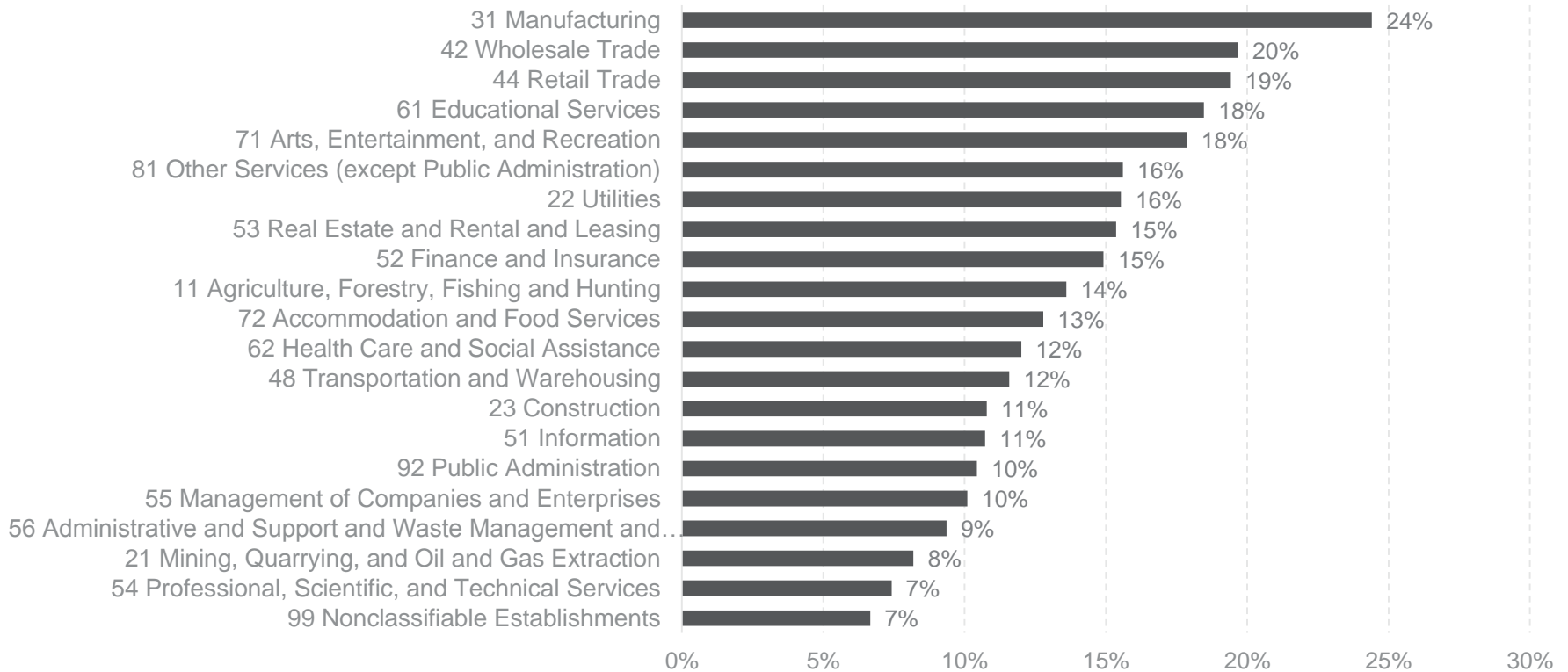
Source: *2015 OEB Yearbook adjusted for Alectra*

II. SEGMENTATION

BY INDUSTRY

- Industry: non-participant interviews will focus on industries with lower participation rates, exact industries and businesses will be selected to obtain representation for size and region,
- Specific industries to target include: Multi-unit Residential buildings (MURB, Municipalities/Universities/Schools/Hospitals (MUSH), agricultural

% of Total Number of Businesses Participating in Small Business Lighting, Retrofit, or Process & Systems



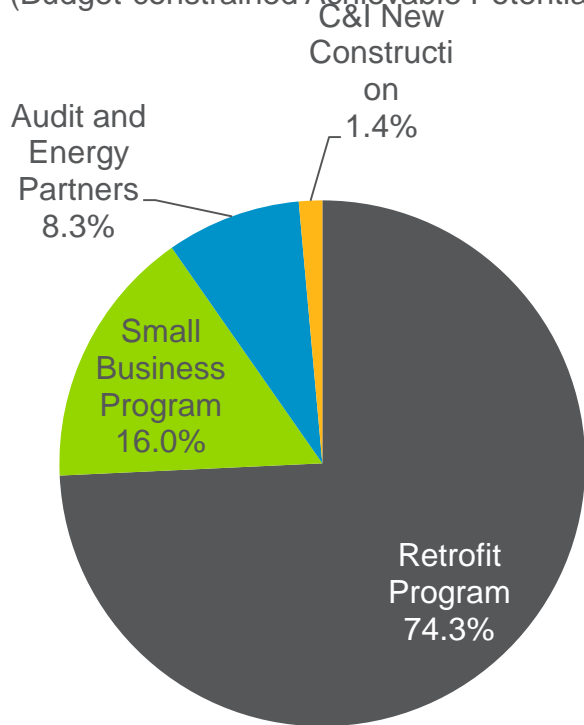
Source: IESO Segmentation Analysis

II. SEGMENTATION

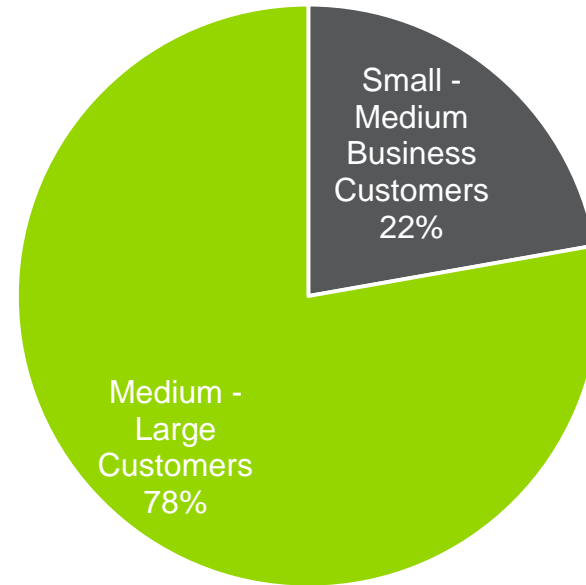
BY HIGHEST ACHIEVABLE POTENTIAL

- Over consideration of small business customers based on achievable potential

2015-2020 Persisting Savings by Commercial Program
(Budget-constrained Achievable Potential)



Breakdown of Targeted # of Interviews



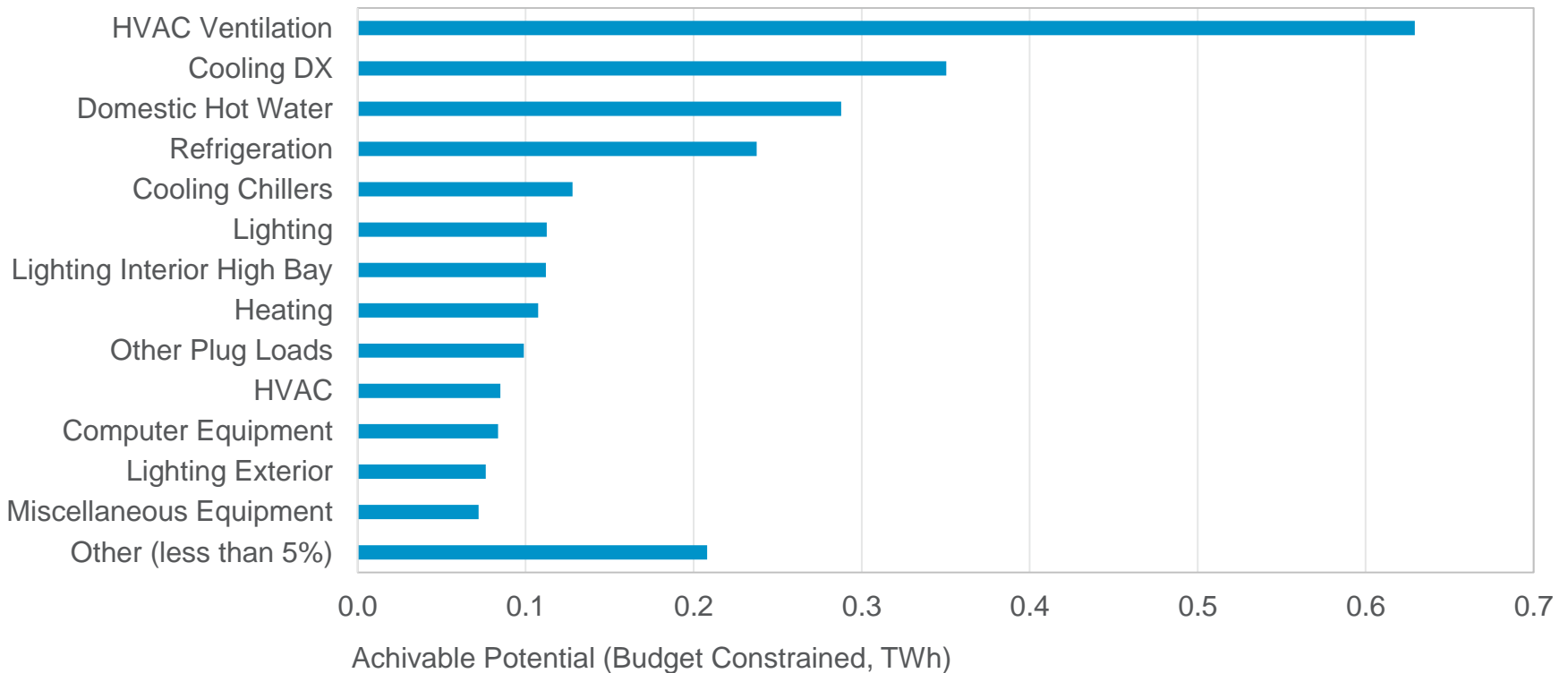
Source: Achievable Potential Study, Nexant

II. SEGMENTATION

BY HIGHEST ACHIEVABLE POTENTIAL

- Interviews and focus groups will work to focus on businesses and sectors that align with the end uses achievable potential study

Commercial and Industrial Potential by End-Use



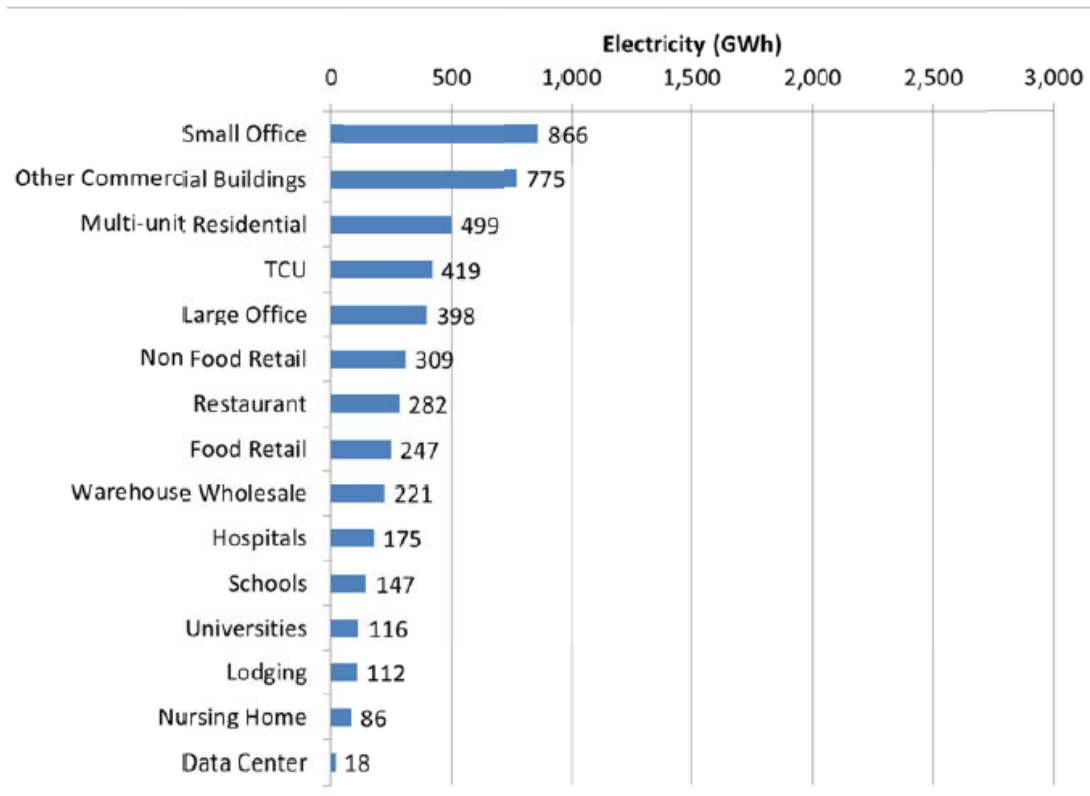
Source: Achievable Potential Study, Nexant

II. SEGMENTATION

BY HIGHEST ACHIEVABLE POTENTIAL

- Interviews and focus groups will work to focus on businesses and sectors that align with the achievable potential study

10-9: Budget Constrained Achievable Potential Persistent Savings by Commercial Subsector in 2020



Source: Achievable Potential Study, Nexant