

IESO Engagement

From: Haris Ginis
Sent: February 13, 2018 5:44 PM
To: IESO Engagement
Cc: Sue Flaman
Subject: Feedback for CFF Mid-Term Review

Thank you for the opportunity to provide feedback following the Jan 30, 2018 webinar regarding the CFF Mid-Term Review. On behalf of Union Gas please find our comments below.

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Union is committed to identifying all options that support Ontario's GHG reduction goals, including the design and delivery of energy conservation programs. In order for Ontario's GHG emissions reduction targets to be met it is crucial that energy conservation programs are effective, efficient and seamless from the customer's perspective. To remain effective, existing and proven energy conservation frameworks should be leveraged, rather than replaced or duplicated. Furthermore, the existing frameworks should be enhanced to include the appropriate tools needed to facilitate collaboration across fuel types. Specifically, Union supports the development of multi-fuel Collaboration Guidelines, and submits they should be developed as soon as possible to ensure the parties operating within the existing frameworks have the ability to collaborate quickly and efficiently, resulting in seamless multi-fuel energy conservation programming for Ontarians. In addition, Union supports an approach to regional planning that includes collaborative discussions between natural gas and electricity distributors.

Leveraging Existing Frameworks

The natural gas utilities' experience and learnings from energy conservation programs, as well as the existing and robust Ontario Energy Board ("OEB") Demand-Side Management ("DSM") Framework, should be leveraged for future programming, rather than replaced or duplicated. For two decades, the DSM Framework has provided a tested and transparent process for the design and delivery of energy conservation programs, and has enabled collaborative assessment of program plans and results by the OEB and interested stakeholders. Similarly, the experience gained through the Conservation First Framework ("CFF") should be leveraged for future electricity conservation programs.

The natural gas and electric utilities continue to be the most effective and appropriate energy conservation program administrators. Through their longstanding customer touchpoints and trusted brands, customers are assured that their investment in energy conservation projects will be met with reliable support, both financially in terms of incentives and with technical expertise.

Development of Collaboration Guidelines

Since 2017, new energy conservation programs have been commissioned by the provincial government using proceeds from Ontario's Cap and Trade Program. In some cases, these energy conservation programs have overlapped with existing DSM Framework and/or CFF programs. Given the evolving and complex energy conservation landscape in Ontario, the development of multi-fuel Collaboration Guidelines would ensure efficient and seamless energy conservation program design and delivery across multiple fuel types. In order to ensure the Collaboration Guidelines are comprehensive and effective, they should be developed using lessons learned from the existing frameworks in conjunction with utility and stakeholder input.

More specifically, the development of Collaboration Guidelines should include learnings from the existing DSM Framework, which includes partnership attribution guidelines that have facilitated successful multi-fuel collaboration initiatives. For example, Union's residential DSM Home Reno Rebate offering, which provides support for energy conservation home improvements, has been partnered with both the provincial government (through the Green Investment Fund) and the Independent Electricity System Operator ("IESO") to provide comprehensive, multi-fuel programming to Ontarians through a single touchpoint. The collaboration has been successful, as more than 12,000 additional homes will receive energy conservation support from Union through the Green Investment Fund.

The experience gained through collaborative initiatives like this should be leveraged when developing Collaboration Guidelines. It should be stressed that Collaboration Guidelines (whether they pertain to attribution, evaluation, cost-effectiveness, etc.) require in-depth assessment across all perspectives. Overly simplified approaches, such as savings attribution based on the amount of funding contributed, could result in unintended consequences and barriers to collaboration. Furthermore, Collaboration Guidelines should be developed in the near-term so they can facilitate

collaboration initiatives as soon as possible, and be incorporated into the development of future natural gas and electricity conservation frameworks.

Regional Planning

Union supports an approach to regional planning that includes collaborative discussions between natural gas and electricity distributors. Currently, the natural gas utilities are not included in IESO Integrated Regional Resource Planning groups, even though planning efforts could impact natural gas infrastructure planning. Union submits that natural gas and electricity utilities, along with the IESO, should work collaboratively on resource planning initiatives, to ensure issues impacting all energy resources are included in any assessments.