

# Engagement Webinar: Energy Performance Program for Multi-Site Customers

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# Agenda for webinar

- Review of program timeline
- Summary of key feedback from July 21 webinar
- Proposed program design revisions and clarifications
- Building aggregation
- Program participation documents
  - Key contract terms
  - M&V procedures
  - Reporting requirements
- Request for feedback

# Program timeline

**June 10**  
Minister's  
Direction  
to IESO

**Sept. 13 IESO**  
Response to  
feedback  
posted

**Nov. 15**  
Written  
feedback  
due to  
IESO

**July 21**  
Draft  
program  
design  
webinar

**Nov. 1**  
Webinar  
presenting  
draft  
participant  
documents

**December**  
Program  
launch

# Feedback on draft program design

Outcome: strong support for program concept with some common suggestions for improvement

- IESO received about 170 comments and questions from ~25 organizations
- Broad support for “customer-centric”, whole-building performance-based approach as it provides greater flexibility, limited paperwork, incentives for operations and maintenance-type projects that reflect actual savings
- Strong customer support for central program administration
- The minimum 2,000,000 kWh historic annual consumption requirement for building eligibility is too high
- Energy Manager programs have been key to strong multi-site customer engagement with legacy Save on Energy programs and would support Energy Performance Program participation
- LDCs need visibility into program participation in their service territories
- Many questions about measurement and verification (M&V), baseline energy models, and eligibility of behind-the-meter generation

# Design revisions and clarifications

Original Draft Design	Updated Design
Program Name: P4P	Energy Performance Program (EPP) for Multi-Site Customers
2,000,000 kWh minimum historical annual consumption for building eligibility	1,500,000 kWh minimum historical annual consumption for building eligibility
Applicants unable to aggregate buildings to create eligible building	Applicants can aggregate buildings with lower electricity consumption into a single “building” model
No modeling incentive	\$1,500 modeling incentive per enrolled building, up to \$15,000 per participant, in addition to \$0.04/kWh performance incentive
Participants commit to achieve 5% savings averaged across enrolled portfolio	Participants commit to achieve 5% savings per building by end of second year
LDCs informed of enrolled buildings and annual program savings for service territory	In addition, LDCs receive contact information and annual savings reports for enrolled buildings

# Design revisions and clarifications (cont'd)

Original Draft Design	Updated Design
Building ineligible for other Save on Energy programs with the exception of Audit Funding and Energy Manager programs	Building ineligible for other Save on Energy programs with the exception of Energy Manager programs
Ambiguity about interaction with non-Save on Energy programs	Participation in natural gas conservation and IESO-administered demand response (DR) programs will not impact EPP eligibility nor incentive calculation
Savings from behind-the-meter generation (BMG) not specifically addressed	To be eligible for EPP incentives, BMG projects must meet the Conservation First Framework's Behind-the-Meter Generation Project Rules (see Appendix A)

# Building aggregation

- In the Energy Performance Program (EPP), IESO will accept groups of buildings aggregated into one Energy Baseline Model as a single “building” provided:

Requirement	Rationale
Energy Baseline Model meets all specifications in M&V Procedures	Maintaining confidence in model and savings calculation
All buildings are of a similar type/use (e.g., high school, retail) and load profile	Maintaining confidence in model and savings calculation
No single building consumed more than 1,500,000 kWh annually during preceding two years (and at least one facility must have an annual consumption <1,500,000 kWh/year)	Maintaining confidence in model and savings calculation (additional facilities with energy consumption >1,500,000 kWh/year can participate as individually modeled facilities)
No more than 5 buildings aggregated in a single model	Facilitates efficient technical review of aggregated models
Energy Baseline Model employs weather data from a single Environment Canada weather station	Facilitates efficient technical review of aggregated models

# Program participation documents

- IESO requests your written feedback on the following draft program documents, posted at <http://www.ieso.ca/Pages/Participate/Stakeholder-Engagement/Pay-for-Performance-Program-Engagement.aspx>\*

## Program Participation Documents

Participation Agreement

Schedule A Definitions

Schedule B Eligibility Criteria

Schedule C Participant Application Form

Schedule D Facility Application Form

Schedule E Arbitration Procedures

Schedule F Project M&V Procedures

Schedule G Form of Annual Savings Report

\*All documents are draft and for discussion purposes only.



# Key contract terms

- One Participation Agreement to cover all customer participation in program
  - No need to sign new contract when enrolling additional buildings
- Participant duty to notify IESO when energy baseline model adjustment warranted (described in M&V Procedures)
- Participant may not participate in other Save on Energy programs (except Energy Manager programs)
- IESO may share program participation, contact information, and Annual Savings Reports with LDC and gas distributors serving enrolled buildings
- Participants who are not already registered with the IESO as Market or Program Participants will need to do so for incentive settlement (see Appendix B for registration details)
- One annual payment based on Annual Savings Report
- IESO will retain a Technical Reviewer who will review baseline model and all reports

# M&V procedures

- International Performance Measurement and Verification Protocol (IPMVP) Option C Whole Building approach, comparing metered consumption to that predicted by energy baseline models on an annual basis
- Energy baseline models must be submitted at time of application and models must:
  - have been developed using at least 2 years of hourly interval meter data
  - meet minimum statistical specifications
  - be reproducible by IESO's Technical Reviewer
- Energy data must be sourced from meter(s) meeting Measurement Canada requirements for revenue billing
- Annual Savings Report must be submitted using data from the same source as baseline

# Reporting requirements

- Participants will submit an Annual Savings Report for each enrolled building at the end of each performance period
- Reports will include:
  - Calculation of savings
  - Description of measures implemented/maintained during previous year and planned for forthcoming year
- Technical Reviewer will review reports and provide incentive recommendation to IESO based on incentive rate of \$0.04/kWh

# Key questions for engagement participants

- Does any language appear inconsistent?
- Are the M&V Procedures clear and comprehensive?
- Are the triggers for adjustments to energy baseline models clear?
- Do you see any barriers to participation?
- Are the stated timelines in the contract reasonable?

# Next steps

- Please send written comments to [engagement@ieso.ca](mailto:engagement@ieso.ca) by November 15, 2016
- IESO will provide responses to comments by early December, 2016
- Application acceptance to begin in December, 2016

# Appendix A – BMG Project Rules

- The Behind-the-Meter Generation Project Rules are posted on the IESO website at:  
<http://www.ieso.ca/Documents/conservation/LDC-Toolkit/Behind-the-Meter-Generation-Project-Rules.pdf>

# Appendix B – IESO Program Participant Registration

- Information on registering as a Program Participant to receive incentive payments through IESO's Market Settlements system is available on the IESO website at:

<http://www.ieso.ca/Pages/Participate/Registration/Participant-Registration.aspx>