

# Memorandum

To: Stakeholder Advisory Committee

From: Terry Young, VP, Policy, Engagement and Innovation

Date: August 22, 2018

**Subject: IESO Business Update – Conservation**

The following is intended to provide an update to the members of the Stakeholder Advisory Committee (SAC) on a number of conservation-related items.

## 2018 Preliminary Results

Preliminary results indicate that LDCs and the IESO continue to progress well towards the Conservation First Framework target of 7.4 TWh\*, having achieved 60% (4.38 TWh) as of mid-June. When taking into account projects in the pipeline, 66% (4.9 TWh) would be achieved. The Industrial Accelerator Program (IAP) has contracted close to 50% (over 0.6 TWh) of the 1.3 TWh\* target, which includes 33 in-service projects expected to deliver 16 GWh of savings.

*\*The IESO received [direction](#) from the Minister of Energy in February 2018 to allocate 0.4 TWh of the target from the IAP towards the achievement of a reduction in electricity consumption through Centrally-Delivered Programs and Province-Wide Distributor CDM Programs delivered by the IESO. The IESO will now be reporting progress against the revised targets: 7.4 TWh for CFF and 1.3 TWh for IAP.*

## Province-Wide Programs

The IESO is delivering a centrally-managed Home Assistance Program (HAP) for low income customers across Ontario. Its service provider GreenSaver began customer enrollments in May and the program is on track to meet its target and enroll 10,000 customers by the end of the year.

Program design work is underway for Indigenous energy efficiency programming based on recommendations outlined in the IESO's report, [Indigenous Conservation Programming: A New Approach](#). The IESO will continue to engage First Nations, Métis and other organizations throughout the design process. Building capacity within communities and developing partnerships with other agencies will be a focus as the IESO strives to improve energy efficiency

programming and access to programming for First Nations and Métis, including communities served by independent power authorities.

The IESO in collaboration with Enbridge and Union Gas have been delivering a Whole Home Pilot across the province since May 2017. Building on existing home energy rebate programs offered by gas utilities, the pilot streamlines and enhances the customer experience by expanding eligibility to electrically heated homes and providing incentives for additional measures. The pilot has been extended and will continue to be available to residential customers until December 31, 2018 in order to collect additional data to support the program evaluation.

The IESO also continues to deliver [province-wide programs](#) where there are gaps in LDC delivery. It is expected that the IESO's program delivery requirements will increase as some LDCs have indicated their delivery of certain province-wide programs may cease due to budget constraints.

### **Municipal Energy Profile**

The Municipal Energy Profile study commissioned by the IESO has been posted on the [IESO website](#). This report provides insight into the current state of municipal energy use in Ontario, and can help enable municipalities to embrace greater cost-savings measures in their next round of reporting, due in 2019. The IESO has engaged members in the municipal community to unlock the value in the report, and it has been shared and communicated widely.

Training support for municipal energy managers and facility operators is being expanded in conjunction with sector partners as recommended in the study.

In addition to the report, a four-page brochure highlighting key findings has been developed and sent to all municipalities. This brochure has also been included as part of the IESO's outreach at recent municipal conferences (i.e. the Ontario Small Urban Municipalities conference and the Federation of Northern Ontario Municipalities conference). The IESO will be speaking to the study at the Association of Municipalities of Ontario annual general meeting in August, and the Ontario Water Works Association energy conservation meeting in September.

The IESO is also further engaged on research to characterize the water and wastewater sector, which was identified as a gap in the Municipal Energy Profile. This work will identify best practices, gauge energy efficiency program engagement, and other activities to drive energy and cost efficiency, while maintaining or enhancing the delivery of clean and affordable water to customers.