

2019 Interim Framework (IF) Industrial Programs

EM&V Key Findings and Recommendations

No.	PROGRAM	KEY FINDINGS	2019 EM&V RECOMMENDATIONS	IMPACT	IESO RESPONSE
1.	Process and Systems Upgrade Program (PSUP)	<p>External communication about certain stages of project development represent pain points. There appears to be a disconnect between program staff and participants' contractors regarding engineering study requirements, Measurement and Verification (M&V) plans, and program changes. Preliminary results from the surveyed contractors indicate that a notable proportion of contactors have a low to moderate level of satisfaction with the technical review process and the M&V plan process. Though it is expected that negotiating the M&V plans would be the most contentious part of the process, some contractors also felt that requirements of engineering studies and the application itself could have also been communicated in a clearer way. Please note, though the Independent Electricity System Operator's (IESO's) current practice is to communicate directly with customers, the contractors are key stakeholders in ensuring these projects' progress. Contractors are also the primary drivers of high program participation rates in many other industrial programs.</p>	<p>Recommendation 1: Continue to monitor contractor feedback on engineering study requirements, M&V plans, and program changes in future contractor surveys to assess whether this remains a pattern.</p> <p>Recommendation 2: Communicate more clearly the program requirements and changes at each critical stage: the engineering study, application, and the M&V plan. Consider proactive and regular outreach to participating contractors (webinars) to clarify program requirements. Although the IESO program team primarily communicates directly with the customer, engaging the contractors proactively could alleviate barriers to project completion.</p>	Medium	The IESO intends to continue corresponding directly with customers on applications but recognizes the opportunity to conduct proactive outreach to participating contractors on program requirements and common concerns that are raised during the technical review process.

No.	PROGRAM	KEY FINDINGS	2019 EM&V RECOMMENDATIONS	IMPACT	IESO RESPONSE
2.	Process and Systems Upgrade Program (PSUP)	COVID-19 shutdowns appear to be affecting project development and implementation in Program Year (PY) 2020, which might impact program "contracted" savings targets given the already tight Interim Framework (IF) deadlines.	Investigate what other industrial programs are doing to mitigate the effects and risks from COVID-19 shutdowns to help you determine how to adapt going forward. For example, program administrators like Efficiency Maine, Massachusetts Clean Energy Center (MassCEC), Silicon Valley Power, and Eversource are extending deadlines for their Commercial and Institutional (C&I) customers. MassCEC's Advancing Commonwealth Energy Storage (ACES) program is loosening interim milestone deadlines but holding the final project installation deadline of next summer for battery installations. Another approach for utilities that found C&I project pipelines were drying up due to COVID-19 was to increase incentives – Eversource and United Illuminating are trying this method. It should be noted that many of these changes are not widely advertised but are based on individual discussions with customers who were already planning projects.	High	At this time the COVID-19 health emergency has not materially impacted the project pipeline for PSU and there are also no concerns at this time with the program in-service deadline of December 31, 2022. The IESO has issued guidance to the market to manage the impact of the COVID-19 health emergency on ongoing M&V reporting requirements for implemented PSU projects.
3.	Energy Manager (EM) Program	Among energy managers, there is a perceived lack of buy-in by management for non-incented projects. The evaluation team believes the difficulty in estimating non-incented savings explains this lack of buy-in partially.	Show energy managers how to use the non-incented program worksheet, currently being developed, to encourage them to use a standardized method for calculating savings and Rate of Return metrics. Also, track the success of this tool in alleviating the challenge of estimating non-incented savings.	High	The IESO intends to publish a guideline to support energy managers on documenting and substantiating non-incented projects to demonstrate the value that they provide to their organizations and to also support with target achievement.
4.	Energy Manager (EM) Program	The application process for the program, in general, is perceived as onerous.	Continue to monitor participant feedback on application process in future participant survey to assess whether application process and contracting still remains a challenge.	High	The IESO has made improvements to its application process by developing concise recommendation documents to be completed by the Technical Reviewer to enable a streamlined review and approval process by the IESO. The IESO and will continue to identify opportunities to streamline the processes based on feedback received.

No.	PROGRAM	KEY FINDINGS	2019 EM&V RECOMMENDATIONS	IMPACT	IESO RESPONSE
5.	Energy Manager (EM) Program	As expected, the EM program drives participation and savings in commercial and other industrial programs, such as Retrofit, PSUP, and Energy Performance Program (EPP). However, the full value of the energy manager role has not been quantified and attributed to the program historically.	Develop and track metrics that reflect the full value of the EM program. The Evaluation team will conduct an evaluation of the holistic impacts of the EM program across the IESO portfolio in future evaluation years when the programs' participation is more robust. The metrics will be developed through discussions with the IESO but could include: <ol style="list-style-type: none"> percentage of projects in PSUP, EPP, and Retrofit that are driven by EMs; average savings from EM-led versus non-EM-led incented projects; and average realization rates for EM-led versus non-EM-led projects. 	High	The IESO agrees with this observation and will work with the evaluator on gathering the necessary information to conduct an evaluation of the holistic impacts of the Energy Manager program to better quantify its value.
6.	Energy Manager (EM) Program	The Energy Manager Services Support (EMSS) interactive support (webinars, training events, and one-on-one hand-holding) are highly valued by energy managers, regardless of participants' level of experience. Other interactive sessions like the Behaviour, Energy and Sustainability Training (BEST) are also valued. However, there is a high cost associated with EMSS interactive services per EMSS support staff.	In collaboration with the Technical Reviewer, investigate and test approaches to encourage energy managers to seek program information and tools first on the Energy HUB rather than through EMSS one-on-one support, as this could help lower the cost of implementing EMSS. Please note that the Energy HUB cannot help with certain types of requests that EMSS one-on-one services address, such as supporting energy managers in satisfying information requests. Those types of calls, however, only partially account for the Technical Reviewer's hours that were spent on direct support in 2019. Thus, there could be an opportunity to send energy managers to Energy HUB for baseline calculation tools, M&V, and other topics that direct support services often address.	Medium	The IESO endeavours to assess all of the support services provided to energy managers and focus on promoting those that are most effective.
7.	Energy Manager (EM) Program	The demand for less costly EMSS support, such as the Energy HUB website, is low. Interviewed energy managers either infrequently use the site – mainly to find webinars or training slides – or do not use the site at all.	Refer to recommendation No. 6	Medium	Refer to IESO response No. 6

No.	PROGRAM	KEY FINDINGS	2019 EM&V RECOMMENDATIONS	IMPACT	IESO RESPONSE
8.	Energy Manager (EM) Program	The BEST 2-day workshop was especially helpful to energy managers who work for smaller firms, rather than large organizations, with fewer decision-makers.	If the BEST is offered again, work with BEST trainers to continue to encourage online coaching, especially to those who work for large organizations, to help them apply BEST concepts in their organizational setting.	Low	The IESO will consider future training offerings based on the relevancy of training topics and feedback received from energy managers.
9.	Energy Manager (EM) Program	The BEST online coaching, which takes place after the in-person training, is underutilized. While the in-person workshop introduces concepts, the follow-up online coaching ensures that specific non-incented projects move forward.	Refer to recommendation No. 8	Low	Refer to IESO response No. 8