

# Energy Efficiency Auction Pilot – Feedback Form

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Feedback Provided By:  
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Following the March 23rd public webinar on the **Energy Efficiency Auction Pilot**, the Independent Electricity System Operator (IESO) is seeking feedback from participants on the draft detailed design of the auction pilot including the proposed resource participant agreement terms, Measurement and Verification (M&V) procedures, and timeline.

The referenced presentation can be found on the [Energy Efficiency Auction Pilot engagement webpage](#) under the March 23, 2020 entry.

**Please provide feedback by April 13, 2020 to [engagement@ieso.ca](mailto:engagement@ieso.ca).** Please use subject header: *Energy Efficiency Auction Pilot Feedback*. To promote transparency, this feedback will be posted on the [Energy Efficiency Auction Pilot engagement webpage](#) unless otherwise requested by the sender.

Feedback received will be considered in order to refine the detailed design, the M & V procedures and the participation agreement. The IESO will work to consider and incorporate comments as appropriate and post responses on the engagement webpage.

Thank you for your time.

**Question****Feedback**

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Are any requirements or processes unclear?

Still not clear after the webinar:

1. What is the intention of the facility meter data? During the webinar it was indicated that IESO is looking at simpler ways of potentially doing M&V. However, M&V is still required, which will give measure specific consumption data. Further, the use of facility meter data is Option C of the IPMVP guidelines which is not to be used if the savings from the measure is small compared to the entire facility consumption.
2. Facility meter data will show a different amount of savings from the M&V data. Can you confirm that participants will be evaluated on the capacity delivered using the M&V data rather than the facility meter data?
3. What is the purpose of the meter installation date and the Single Line Diagram if multiple meters are involved? Can these requirements be removed?

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Do the proposed dates present any challenges?

Alectra would have taken a neutral stance with this question prior to the COVID-19 pandemic, but concedes that the dates proposed are now going to present a challenge given the inability to easily connect with potential customer participants, and to connect with our own colleagues in designing Alectra's program, and identifying resources, measures and potential.

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Question	Feedback
Do any of the Participant Agreement terms present an undue barrier to participation?	Facility Meter Data submission is a very limiting and an unnecessary complication – keep it simple.  Complex and excessive M&V Report requirements will be cost prohibitive
Does the requirement for auction participants to provide audited financial statements present an undue barrier to participation?	Alectra is not aware of this requirement creating an undue barrier to participation.

**General Comments/Feedback:**

The IESO indicated during the webinar that it would respond to specific Alectra questions, as follows:

1. What is the definition of a small business?
2. Would each additional measure require an EUL greater than the weighted average EUL of the original measures or is it acceptable if the weighted average EUL of the new measures is greater than the weighted average EUL of the original measures?

Alectra poses the following additional questions:

1. In the draft M&V procedure it clarifies that 10 measures with 10 kW each can go through the Basic M&V protocol since each measure is less than 50 kW. Can you confirm if a measure is greater than 50 kW in total across all facilities, but is installed at multiple facilities where the measure savings is less than 50 kW at each facility that this measure is still eligible under the Basic M&V protocol (e.g., the same measure installed at 10 facilities with 10 kW each at each facility)?
2. For measures that are less than 50 kW, where a deemed value approach is being used, could the requirement to submit a Basic M&V Plan be eliminated? Many of the sections in the Basic M&V Plan are not applicable when deemed values are used, so it may be better to have a separate report provided to the IESO with all measures where this approach is used, the quantity installed, and the savings as per the Measure Reference Manual or Measure Substantiation Sheet. This will reduce the administrative burden for the EE Capacity Provider as well as the IESO in aggregating the savings from all measures.
3. In the draft M&V procedure it states that deemed value savings can only be used when the measure confirms to the Measure Reference Manual’s prescribed Base Case, Efficient Case, and End Use Profile. It is recommended to remove the requirement that it confirms to the prescribed Base Case as that change would significantly reduce the administrative

cost of offered programs and increase the scope of offered programs. IESO currently has two business programs where different approaches to the Base Case verification are followed: in the Small Business Lighting (SBL) program, similar to what is currently proposed, the Base Case must be verified, and in order to be installed the measure Base Case must be in the SBL measure library (similar to the Measure Reference Manual). In the Retrofit Program, the measure Base Case for prescriptive measures does not have to be verified.

Significant differences are observed in the two programs, which are partially because of this requirement. This requirement then causes the SBL program delivery agent to have to send an assessor to record what the Base Case is, the installation must be done by a representative of the program delivery agent and not a contractor of the customer, since the Base Case eligibility must be verified. This adds additional costs to the program as well as making it less flexible for the customer. Since the IESO's flagship Retrofit Program does not have this requirement, it would be recommended to remove this requirement from the Energy Efficiency Capacity Auction Pilot as well.

4. Are social benchmarking programs/results a possibility?

**Additional Comments:**

This initiative lends itself more to low-hanging EE fruit, not deeper EE measures that would require long-term pre- and post-case measurement periods. Competing capital concerns may impact timing of installations for larger (competing) projects, which adds risk to a participant's planning.

As a potential aggregator, Alectra submits that 'keeping the money in the province', i.e., through municipally-owned LDCs, provides added benefit to the local economy through dividends and re-investment into the local communities served by their own LDCs. This may be deserving of an additional recognized value in bids from LDCs.