

Feedback Form

Industrial Energy Efficiency Program – June 23, 2021

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Date: July 14, 2021

To promote transparency, feedback submitted will be posted on the Industrial Energy Efficiency Program webpage unless otherwise requested by the sender.

Please provide feedback by July 14, 2021 to engagement@ieso.ca. Please use subject:

Feedback: Industrial Energy Efficiency Program

For context, the questions below are taken from slides 22 to 25 from the June 23, 2021 [presentation](#) posted on the [engagement webpage](#).

General

Topic	Feedback
Are there any key areas of interest and/or concern on the draft program proposal and framework presented today?	High interest in this program to support industrial energy efficiency. Some concern regarding the minimum eligibility threshold (see comment below).

Participant Eligibility

Topic	Feedback
Should the program allow for aggregation of projects at different sites by the same participant?	With the defined minimum threshold this could be helpful for meeting minimum requirements for multi-site participants.

Topic	Feedback
Should third parties be allowed to submit projects if they have the necessary authorization to deliver?	Yes, third-party investment or ESCO projects would be of interest in the marketplace to provide needed financial and technical support/risk mitigation.

Project Eligibility

Topic	Feedback
What questions do you have about technologies or projects that would be eligible under this program, given the definition of CDM?	No questions. This would be a good opportunity for TX and DX customers to participate with projects related to industrial refrigeration technologies, injection molding machines, industrial pump and fan systems, municipal water pumping and wastewater treatment plants etc. which are not covered under the Retrofit program.

Topic	Feedback
Are the minimum size and maximum incentive award thresholds reasonable?	The minimum size thresholds are quite high, particularly when considering the requirement to achieve both the demand and energy savings thresholds. A lower minimum threshold would allow for greater levels of participation across the sector. There are many good and substantial industrial efficiency projects at and above 0.5 GWhs and/or 100 kW in annual savings which are not eligible through the Retrofit program.

Topic	Feedback
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What should be considered when enabling stacking of incentives?	Existing rules have been reasonable. Reasonable not to exceed 100% of project costs from all sources of public funding.

Project Selection Framework

Topic	Feedback
Does the two-stage project selection framework presented today support or challenge your internal business processes?	The two-stage project selection framework is supported by our internal business processes.

Topic	Feedback
Are there any related key considerations that the IESO should consider in developing the two stages? Any required timing?	Following program launch it will be beneficial to allow time for outreach, awareness, project identification and plan development. A Stage 1 application may be reasonable in the first half of 2022, whereas the Stage 2 requirements may require more time and may be most suited to submission at any time throughout 2022 and into 2023 with the goal of getting projects started when the participant is ready. An open window throughout the year, with quarterly or bi-annual evaluations/approval would allow for greater flexibility for participants.

Topic	Feedback
What are some key outputs from a stage I approval that would help facilitate your business processes?	A comfort letter for participants that confirms eligibility and any conditions of approval and future requirements. This stage could allow for incurring of project related consultant fees, equipment purchases, and preliminary incentive payments in some instances.

Topic	Feedback
What are considerations that should be applied to the weighting of selection criteria? Are there additional criteria IESO should consider?	We recommend an approach that allows for the maximum number of participants in the overall project selection to allow for as many projects and participants throughout the sector.

General Comments/Feedback

1. Confidence in savings/incentive at pre-stage is important, hence the value of review at stage 1 and 2. There may be benefit of more review stages throughout the project lifecycle, dependent on project size and complexity, as regular review and alignment can alleviate any discrepancies in process and requirements at project completion.
2. Account management support for the industrial participants as well as their consultants is very valuable in generating awareness of the program opportunity, supporting the identification of suitable projects as well as ensuring the application and participation process go smoothly.
3. Consider the potential of feasibility study funding to support well developed projects and applications. Cost sharing on the feasibility study can help improve the commitment and the likelihood that a project will result.
4. The current PSU program has been a challenge for some participants in terms of the required information and length of the contracts. Streamlining / simplifying that part of the new program will be welcome.