

Feedback Form

Industrial Energy Efficiency Program – June 23, 2021

Feedback Provided by:

Name: Abdul Muktadir

Title: Senior Policy Advisor

Organization: Electricity Distributors Association

Email: [REDACTED]

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
<ul style="list-style-type: none">• Are there any key areas of interest and/or concern on the draft program proposal and framework presented today?	<p>We support energy efficiency programs and encourage the IESO to lower the application threshold below 2,000 MWh of electricity savings. The proposed project requirements will limit participation to the very large businesses/companies/organizations in the province and further penalize the smaller businesses that only have access to the prescriptive retrofit program.</p> <p>Other concerns to consider are as follows:</p> <ul style="list-style-type: none">• How do the customers learn/get introduced to the new program? Webinar?• Who does the IESO see leading the application process?• Is the customer expected to lead these 2,000 MWh energy saving projects? It is very difficult for a large industrial customer to understand the program, rules and regulations for large-scale CDM projects from a webinar. LDC involvement will be critical for the success of this initiative.• Large Industrial Perspective tracks, with specific rules and specific incentives for valuable measures e.g., compressed air, should be developed with engagement with other parties as well.

Participant Eligibility

Topic	Feedback
<ul style="list-style-type: none">• Should the program allow for aggregation of projects at different sites by the same participant?	<p>We support allowing for aggregation as it can provide benefits to the system as a whole and allow more projects to participate (smaller sites). Unfortunately, very few customers can manage the aggregation process. Therefore, these customers should be encouraged to seek support in aggregating projects, as it will provide benefits to the customer and the system as a whole.</p>

Topic	Feedback
<ul style="list-style-type: none"> Should third parties be allowed to submit projects if they have the necessary authorization to deliver? 	<p>Third parties should be eligible to act as applicant representatives for organizations. Third parties should be able to submit projects on behalf of their customers. Many of the large industrial customers don't have the time or expertise to navigate the IESO programs. Long term energy management requires an ongoing commitment and engagement at the organization level that LDCs have been doing. Leveraging those existing customer relationships will result in greater program savings.</p>

Project Eligibility

Topic	Feedback
<ul style="list-style-type: none"> What questions do you have about technologies or projects that would be eligible under this program, given the definition of CDM? 	<p>We do not have any specific concerns on the technologies or projects that are eligible. However, we have concerns about technologies/projects that are excluded. We appreciate that the program eligibility stems from a Ministerial Directive. However, the program eligibility states that it will exclude "Those measures promoted through a different program or initiative undertaken by the Government of Ontario or the IESO". We seek clarification on this point as it is not clear whether this precludes any measures offered under the Retrofit program, or whether they are restricted to specific types of lighting or compressor or technology e.g., LED lighting.</p>
<ul style="list-style-type: none"> What should be considered when enabling stacking of incentives? 	<p>We believe that incentive stacking should be considered so that customers can take advantage of both federal and provincial programs. This would provide significant benefit to customers.</p>

Project Selection Framework

Topic	Feedback
<ul style="list-style-type: none"> Does the two-stage project selection framework presented today support or challenge your internal business processes? 	<p>We believe the process is reasonable and supports internal business processes. The two-stage process will spare proponents from spending significant time/resources on ineligible projects.</p>

Topic	Feedback
<ul style="list-style-type: none"> What are some key outputs from a stage I approval that would help facilitate your business processes? 	<p>We suggest developing a list of proposed projects with very well-defined savings, draft budget and implementation plan that includes contingencies.</p>
<ul style="list-style-type: none"> What are considerations that should be applied to the weighting of selection criteria? Are there additional criteria IESO should consider? 	<p>We suggest that consideration be given to past project performance, project details i.e. baseline of equipment (re-word), detailed project methodology, detailed measurement & verification plan, ongoing maintenance strategy to maintain the savings, draft budget, and a detailed project timeline that includes contingencies for issues.</p>

General Comments/Feedback

As mentioned above, we support energy efficiency programs and appreciate the concept of the program as presented. However, the proposed program is focused at very large customers and leaves the many customers solely with the very limited prescriptive Retrofit program. We encourage the IESO to expand the application criteria for this program so that many other business customers can benefit from it.