

Feedback Form

Industrial Energy Efficiency Program – Engagement Session #2 – October 19, 2021

Feedback Provided by:

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Date: November 10, 2021

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

Please provide feedback by November 10, 2021 to engagement@ieso.ca. Please use subject:

Feedback: Industrial Energy Efficiency Program

For context, the questions below are taken from slide 40 of the October 19, 2021 presentation posted on the [engagement webpage](#).

Participant or Project Eligibility Criteria

Topic	Feedback
Are there additional participant or project eligibility criteria that the IESO should consider?	There will be greater participation and savings if the program allows measures such as compressed air, HVAC and other process supporting measures.

Topic	Feedback
Are the project size thresholds sufficient to allow for meaningful projects to be developed?	Based on our experience with Ontario's Industrial programs a lower threshold would allow for greater participation, savings, and greater cost effectiveness. We estimate that a minimum threshold of 300 MWh would result in twice as many energy efficiency projects and 20% more waste energy recovery projects.

Project Approval Timelines

Topic	Feedback
Are the project approval timelines sufficient for customers to develop and implement their project proposals?	Participants may need more time between stage 1 and stage 2. Participants may benefit from being able to do stage 1 in first window and stage 2 in the second/another future window.

Project Selection Criteria

Topic	Feedback
Are the project selection criteria sufficiently transparent and rigorous?	Mostly – see comment below.

Topic	Feedback
Are there other factors that should be considered?	Having a clear incentive calculation methodology increases transparency and perceived fairness for participants and should reduce program management costs. The requirement of a baseline model with a COV of 15% is not necessarily an issue, however in our experience there is a lack of consistency in how terms are defined and used across statistical and DSM disciplines. As such we recommend being more specific in market available documents about how COV is expected to be determined.

Additional Input

Topic	Feedback
Will participants be comfortable with taking on the risk of savings delivery?	Yes

Topic	Feedback
Should the contract build in mitigation options beyond simple reduction of incentive?	No

General Comments/Feedback

This is a great initiative that will support efficient and innovative projects within the industrial sector. We think it's important the scope includes compressed air and HVAC system projects as these can often have the greatest savings and are possible to implement particularly in the program timeframe. A lower participation savings threshold will allow for greater participation, savings, and cost-effective contributions to the Ontario electricity system.