

DECEMBER 2025

Grid Innovation Fund (GIF) Engagement Roundtables

Understanding Innovation and Enhancing Governance Framework

Welcome and Introduction

- A written summary of these roundtable discussions and written feedback received will be posted following this initiative
- The presentation and all materials for this engagement can be found on the [Grid Innovation Fund](#) engagement page

Territory Acknowledgement

The IESO acknowledges the land we are delivering today's webinar from is the traditional territory of many nations including the Mississaugas of the Credit, the Anishnawbe, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. We also acknowledge that Toronto is covered by Treaty 13 with the Mississaugas of the Credit First Nation.

As we have attendees from across Ontario, the IESO would also like to acknowledge all of the traditional territories across the province, which includes those of the Algonquin, Anishnawbe, Cree, Oji-Cree, Huron-Wendat, Haudenosaunee and Métis peoples.

Agenda

1. Context and Background Information (15 mins)
2. Rules of Engagement for Today's Session (5 mins)
3. Discussion Part One: Innovation Ecosystem in Ontario's Electricity System (30 mins)
4. Discussion Part Two: GIF Governance Framework (60 mins)
5. Next Steps (10 mins)

Why We're Here

- On June 12, 2025, the Minister of Energy and Mines released the Integrated Energy Plan (IEP), along with an implementation directive that outlines several initiatives for the IESO to lead.
- One such initiative calls on **the IESO to work with the Ministry to review the GIF to enhance governance** and determine future innovation-focused funding, including identifying barriers to the commercialization, market integration and/or community adoption (including Indigenous and remote communities) of Distributed Energy Resources (DER) that could be explored with the support of the GIF.

IESO's Approach to the Work

External input is required to ensure the review and resulting recommendations for enhancing GIF governance is informed by diverse experiences, operational realities, and emerging needs.

Stakeholder engagement will be conducted in two distinct phases:

- Phase One (December): Obtain perspectives from across the sector to help inform the review of, and resulting recommendations for, enhancing the GIF governance.
- Phase Two (2026; timing TBC): Seek input on potential themes for future GIF calls.

Additional Information Sources

In addition to stakeholder engagement, the IESO is:

- ✓ Reviewing lessons learned from operating the fund and identifying limitations of administering the fund with the current governance.
- ✓ Reviewing key learnings from jurisdictional scans and recommendations from third-party evaluations.
- ✓ Conducting focused discussions with other innovation fund operators.

Purpose of Today's Session

Conduct roundtable discussions with participants to:

- Understand how the sector views the innovation ecosystem in Ontario's electricity system and what is needed to support innovation in the sector;
- Understand potential limitations with the existing GIF governance framework (e.g. funding models, budget, mandate, project eligibility) and seek input on potential enhancements to the governance framework that will help support innovation in the province.

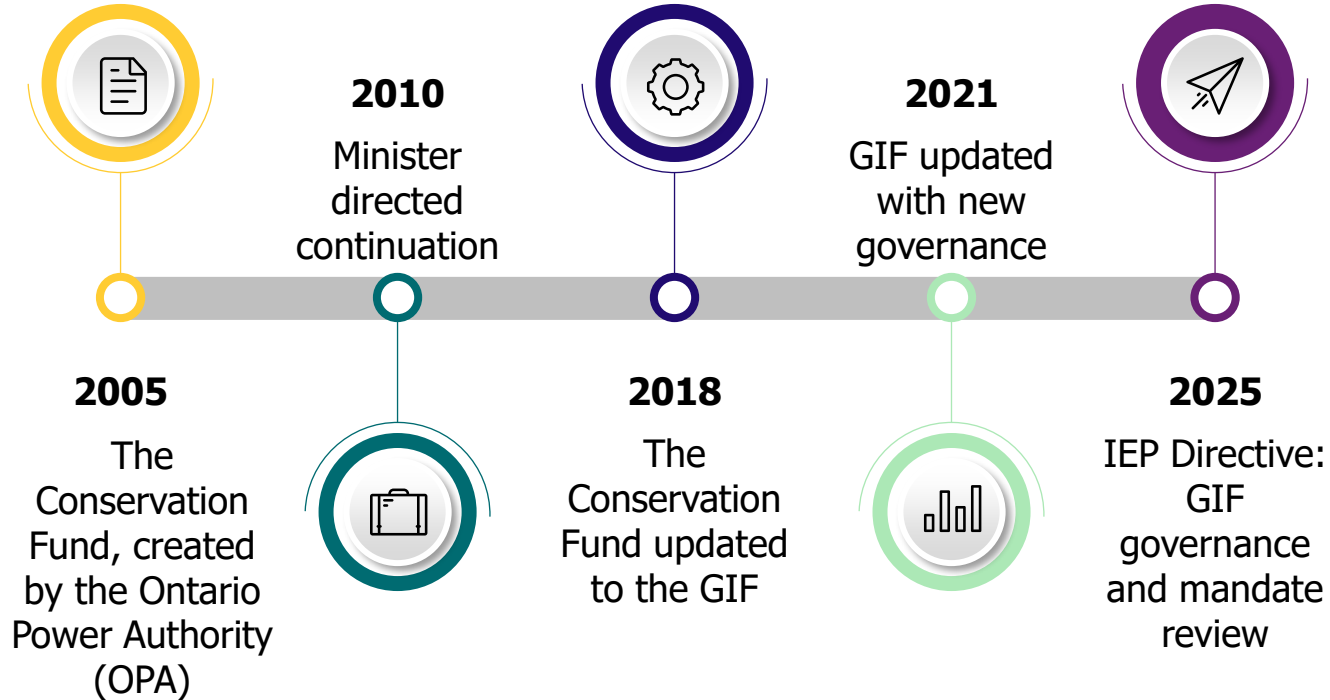


Background: GIF Overview

- The GIF supports innovative technologies, practices, and programs that have the potential to deliver significant energy/demand savings
- Builds pipeline of innovative technologies, practices, and tools feeding into demand side management (DSM) programs and driving evolution for demand-side resources.
- Projects have typically focused on system integration, demand reduction, efficient electrification, energy efficiency, etc.
- \$9.5M annual budget from Global Adjustment.

290+ Projects funded since
2005
\$110M invested, \$290M
leveraged

Background: GIF Timeline



Background: Current Governance Framework

- The IESO Board has overall oversight and approval of the GIF
- Under the 2010 Directive, the OPA was authorized to provide support and funding of CDM research and innovation to assist LDCs and others in their conservation efforts.
- The Fund shall provide support and funding for new and innovative electricity CDM initiatives, including distribution storage technologies.
- Proposals are evaluated against a defined set of criteria and funds are awarded to projects that address one of the specified categories.

Rules of Engagement

- Be respectful of each other and make space to allow others time to contribute to the discussion
- Please consider turning your camera on, if comfortable
- Please keep your microphone muted other than when contributing to the discussion
- When you speak, please introduce yourself and note the organization you represent
- Try to build on the conversation



Discussion Part One: Innovation Ecosystem in Ontario's Electricity System

Background: Ontario's Innovation Ecosystem

- Although support is needed at all stages of the innovation lifecycle, it is important that the GIF is situated appropriately within the overall innovation ecosystem in Ontario's electricity system to be as effective as possible at meeting our objectives.
- We need to better understand where help is needed and what is working well in the sector and what are the barriers/challenges.



Discussion Topic #1

Innovation can relate to the use of new technology, or new ways in which to use existing technologies. It could also include innovative business practices, including relationships with others to enhance services to customers and share costs.

Why does innovation matter in the electricity system and how can it support the energy transition and evolution of the system?

Discussion Topic #2

The ongoing energy transition is making system innovation a priority for organizations across the sector helping to drive innovation. The IESO is leveraging its position at the heart of the sector to facilitate innovation by supporting, leading or participating in initiatives that will increase the reliability and/or cost-effectiveness of the electricity system.

What are the strengths of the current state of innovation in the electricity sector? What is working well?

Discussion Topic #3

The world and electricity sector are continuing to evolve at a rapid pace. New technologies are shaping how we work, how we produce and transmit electricity, how we forecast and operate, how we trade with our partners, and so forth.

Recognizing the electricity system of tomorrow will look different than today's, what support do you feel the innovation sector needs to support the energy transition? What are the biggest gaps or challenges to advancing innovation in the electricity sector in Ontario?



Discussion Part Two: GIF Governance Framework

Background: GIF Governance Framework

- To help address the needs of Ontario's electricity system and what is needed to support innovation in the sector, we need to understand potential limitations with the existing GIF governance framework and consider potential enhancements that could help further support innovation in Ontario's electricity sector.



Discussion Topic #4

The GIF has invested more than \$110M into close to 300 projects since 2005, helping build the pipeline of innovative technologies, practices, and tools feeding into DSM programs and driving evolution for demand-side resources.

From your experience, what would you say has worked well to date with GIF? What do you see as potential limitations/risks with the current GIF framework?

Discussion Topic #5

The current mandate of the GIF states:

- The Fund shall provide support and funding for new and innovative electricity conservation and demand management initiatives, including small scale distribution storage technologies.

Do you feel the current mandate is appropriately broad? Too narrow? How could it be refined to better capture the needs of supporting innovation within Ontario's electricity sector?

Discussion Topic #6

Currently, eligible GIF projects are focused on Conservation Demand Management (CDM), with the governance framework stipulating that projects must meet one of the following categories: Energy efficiency, Demand reduction, Conservation behaviour, Load reduction, Load displacement, Efficient electrification, or System integration.

Thinking about where innovation in the sector is headed, are there project categories you feel should be added or removed to ensure we're able to fund new innovations in the future?

Discussion Topic #7

The GIF has an annual budget of \$9.5M from Global Adjustment and projects are subject to limits on maximum IESO support (up to \$500,000) and maximum support as percentage of total project costs (up to 75%) depending on the project type. This has remained unchanged since 2005.

How is the funding amount limiting our ability to meet our broader objectives? What types/scale of projects is GIF unable to support? What types of projects could a larger budget enable GIF to support and how could that allow projects to secure additional funding from other sources?

Discussion Topic #8

The current mandate stipulates there will be a minimum of one open intake window OR one targeted call for proposals each year. There is also the opportunity for IESO to enter into strategic partnerships.

Do you think this is the best approach to identify and assess projects? What do you perceive to be the benefits of open calls? Targeted calls? Are there alternative approaches that could be considered?

Next Steps

- Stakeholders to use the feedback form on the [Grid Innovation Fund engagement page](#) to submit any additional feedback by December 24
- IESO to post discussion summaries by February 2026
- IESO to report back to Ministry on May 31, 2026
- Phase Two of engagement on potential GIF call themes to take place in 2026, timing TBC

For More Information

- The presentation and all materials for this engagement can be found on the [Grid Innovation Fund](#) engagement page
- If you have any questions on the information shared today, please contact engagement@ieso.ca

Thank You

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