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2020 Stakeholder Survey Results

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SAC Input

Input from SAC is requested to inform:

- Opportunities for the IESO to improve stakeholder satisfaction with the engagement process
- Additional ways to evolve the stakeholder engagement framework

Stakeholder Survey Methodology

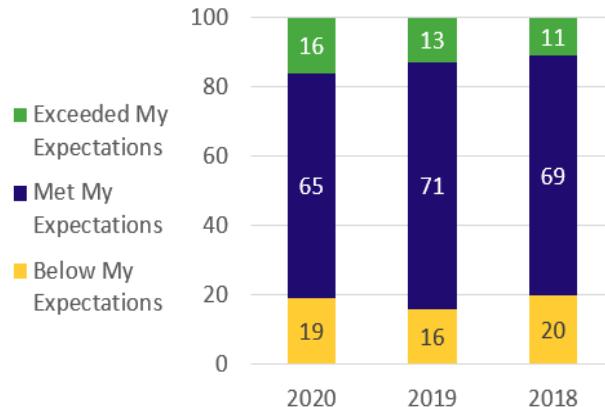
- Targeted participants from recent engagements:
 - Individual engagement participants, market participants, Stakeholder Advisory Committee, Technical Panel, Indigenous communities, regional network participants, municipalities and others
 - Participants spanned ten customer groups
 - 352 surveys completed from Sept. 22 to Nov. 17
 - Ipsos conducted the research online (new this year) and by telephone

Meeting and Exceeding Stakeholder Expectations

2020 Results

- Majority (81%) of stakeholders report that their experience with IESO engagement has met or exceeded expectations
- **This rating achieves the performance measure target established in 2018 of 80%**
- In 2020, the IESO considered moving to a new measure based on levels of trust (August SAC meeting); in discussions with our survey vendor, a strong overlap was found between the metrics of trust and stakeholder satisfaction with the engagement process (existing measure)
- IESO will continue to utilize the existing measure while further exploring the correlation between the two measures

Stakeholder Expectations of the Engagement Process



Engagement Process Feedback

- **Overall performance** – overall ratings remain steady; communications are timely and responsive to needs; engagement topics are seen to be relevant and important to stakeholders; increase to transparency in decision-making, but this remains an area for growth
- **Market Renewal** – involvement in engagements decreased, but monitoring has increased; this was expected as the project has moved into implementation
- **Innovation** – high level of awareness and participation; 72% indicate these engagements meet or exceeded expectations
- **Channels** – over 80% of respondents rated 10 out of 14 channels as very/somewhat effective
- **Areas for further improvement** – creating opportunities for early engagement/input; providing rationale for decisions; showing how input was used; alignment of engagement process with community needs

Engagement Framework – Feedback

- Enhancements made as part of the new framework in 2020 include: designated monthly engagement days; increased time to review materials prior to meetings and extended feedback windows; new engagement groupings to highlight the interconnectivity of initiatives and corporate priorities; comprehensive monthly engagement updates
- **2020 Survey Feedback** - 58% indicated that the changes introduced by the new engagement framework are much more/somewhat effective; 65% indicated the framework adapted very well to the pandemic



IESO's four new engagement groupings

Continuing to Evolve the Framework

- *IESO Connects* – a new, interactive online engagement platform; opens a new channel for discussions with communities across the IESO’s five regional networks and the Indigenous Community Energy Champion network; launched in November 2020
- There are five regional networks with a combined 2,500 members and 60+ Community Energy Champions
- Almost 500 participants attended the province-wide regional forum held on January 20

IESO Connects – Online Community for Network Members



Continuing to Evolve the Framework (2)

- Better utilization of the Stakeholder Advisory Committee and the monthly engagement days for more forward-looking engagement planning
 - Provide greater insight into future engagement activities
 - Collect earlier feedback on the scope and areas of interest to help shape new engagements
 - New opportunities to seek input on priorities from the broader stakeholder community

SAC Input - Review

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- Additional ways to evolve the engagement framework

Thank You

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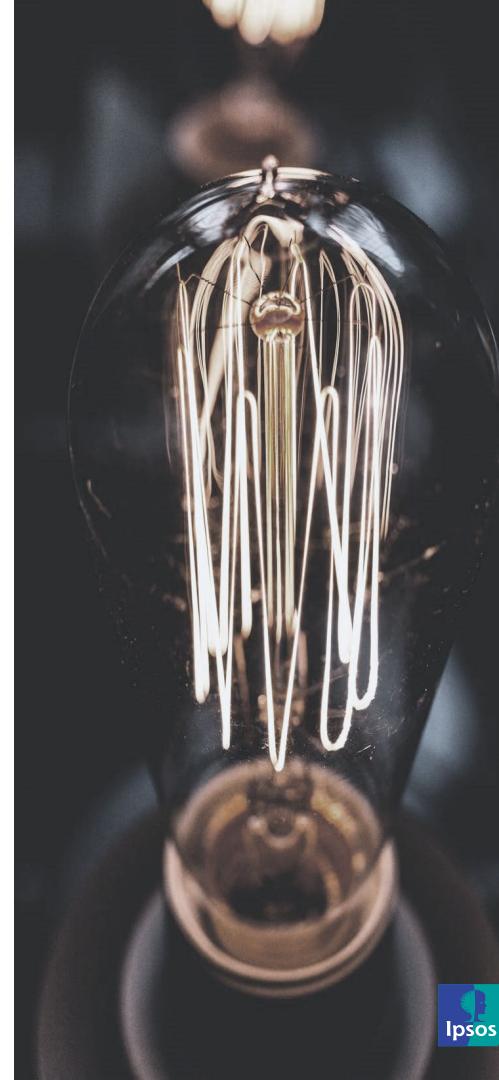
Appendix – Ipsos Report Executive Summary

Research Objectives

Ipsos was commissioned by the IESO to conduct a Stakeholder Engagement and Brand Performance Survey for 2020. The primary audience for the survey were stakeholders who had engaged with the organization in 2020. This year responses were also collected from a sample of non-engaged stakeholders.

The 2020 research was designed to:

- Track performance on key metrics compared to 2019 among engaged stakeholders;
- Assess overall impressions of the IESO's and the organizations reputation including establish a baseline measure of trust;
- Measure satisfaction with and effectiveness of IESO's engagement process;
- Understand engagement with IESO's Market Renewal efforts;
- Understand impressions of IESO in terms of enabling innovation in the electricity sector;
- Determine the factors most important to driving impressions of trust in the IESO and satisfaction with stakeholder engagement.



Sources

Survey Methodology

- A mixed-method online and telephone survey was conducted among the IESO's stakeholders.
- A total of 352 stakeholders completed the survey including 309 engaged and 43 non-engaged stakeholders.
- The list of engaged stakeholders was provided by the IESO and included those who had participated in engagement activities in 2020. The sample for non engaged stakeholders was sourced by Ipsos through purchased sample based on NAICS code.
- Fieldwork was conducted between September 22nd and November 17th, 2020.

	Stakeholder Type	Count
Engaged	Electricity Generators (including Traders)	42
	Distributors/ Transmitters	32
	Large Consumers	47
	Indigenous Communities	27
	Municipalities	17
	Emerging Technologies	26
	Energy services providers	24
	Other Interested Stakeholders	13
	Consultant	42
	Semi-engaged	39
	Total	309
Non engaged	-	43
Total	-	352



Executive Summary (1/3)

IESO Performance: Impressions of the IESO are generally positive and consistent with previous years. Stakeholders trust the IESO to ensure a reliable electricity supply and confidence in IESO staff is strong. Impressions of transparency in decision making, demonstrating how stakeholder input is acted upon and investing in innovation could be improved.

- The majority of stakeholders have a favourable impression of the IESO (55%) and most are satisfied with the organization's performance (48%). The balance of stakeholders express more neutral views and while few have particularly negative impressions that proportion has increased marginally compared to previous years.
- Stakeholders have a very high degree of trust in the IESO to ensure electricity is available where and when people need it is (83%) and rate the organization highest for operating a reliable system (75%), the expertise (62%), accessibility (61%), and responsiveness of staff (59%) and ensuring a reliable energy future (57%). Satisfaction is lowest for demonstrating transparency (30%), investing in innovation (32%), acting on input from stakeholders (32%) and competitively procuring the resources to meet Ontario's electricity needs (34%).
- Of the IESO's priorities, the most important to stakeholders are to ensure cost effective system reliability (83%) and to prepare for the future of the sector (82%) and they feel the most pressing issue for the electricity sector is working to reduce cost/ price of electricity (46%), followed by ensuring reliability of electricity supply (22%), demand response capacity (13%) and working towards more sustainable/ green energy (11%).
- **In terms of stakeholder types, Indigenous communities have consistently among the most positive impressions of the IESO while emerging tech and to a lesser extent municipalities tend to be less satisfied.** Emerging tech, while somewhat more optimistic about the future of the sector, enforcing market rules, and quality of staff, they tend to be more critical regarding cost-effectiveness, competitive procurement, acting on input from communities/stakeholders, and investing in innovation or exploring new approaches. Municipalities are less familiar with IESO's priorities, have had less recent contact with the organization and are more critical of the organization for ensuring a reliable electricity future, seeking input from communities/stakeholders, and demonstrating transparency in decision making.

The factors that influence trust in the IESO the most are impressions of operational performance in ensuring a reliable electricity system and to a lesser extent impressions of the market rules established and enforced by the IESO.

- Due to the importance of perceptions of operational reliability to driving trust and the strength of current impressions of the IESO, primary focus should be placed on protecting performance in this area.
- Opportunities to build trust are in improving perceptions of the measures that influence impressions of how market rules are established and enforced including: demonstrating greater transparency in decision making, how the IESO acts on input from stakeholders, perceptions of competitively procures resources, and the degree to which the IESO explores and enables new approaches to meeting system needs (i.e. innovation, market renewal).

Executive Summary (2/3)

Stakeholder Engagement: The IESO's stakeholder engagement process is considered highly relevant, timely and responsive and meets the expectations of the vast majority of stakeholders. Better explaining how stakeholder input was used, providing rationale and reflecting/ balancing various sector interests in decision-making are areas that could be improved.

- The vast majority of stakeholder feel the IESO's engagement process has met (65%) or exceed expectations (16%) and two-thirds (65%) feel it was highly relevant to their organization, with another one-third (32%) who feel it has been at least moderately relevant. Consistent with overall impressions of the IESO, nearly half (46%) are very satisfied with the engagement process, while a similar proportion hold more moderate views (48%) and few are dissatisfied (6%).
- Satisfaction with the engagement process is highest for communicating in a timely manner (56%), offering engagement topics that are important (53%), effective facilitation (52%), responding in a timely manner (50%) and effective use of a variety of channels to solicit input (50%). Satisfaction is lowest for explaining how input was used in decision making (29%), providing rationale for decisions (35%), balancing the various sector interests in decision making (37%) and reflecting my community/ organization in decision making (37%).
- Nearly three-quarters of stakeholders feel the IESO engagement process has led to effective change for stakeholders (73%) or the electricity sector overall (72%), fewer feel it has led to effective change for their organization (62%). Of some concern, impressions of engagement leading to effective change have been gradually declining since 2016.
- The most effective and preferred channels to communicate and engage with stakeholders are predominately electronic including emails, webinars and to a lesser extent the IESO website. Business advisors/Customer relations team, the First Nations Energy Symposium and working groups are also considered among the most effective.
- Stakeholders have more limited awareness and experience with the IESO engagement process since changes were made in May 2020- one-third (36%) are aware of the changes and have participated (36%). Most who participated felt the changes were more effective (58%) and the vast majority (65%) feel the IESO adapted very well to the circumstances presented by the pandemic.
- **In terms of stakeholder types, similar to overall impressions of the IESO, emerging tech tend to be less satisfied.** Most feel the engagement process was relevant to their organization but they are more critical of the IESO balancing of various sector interests, reflecting their organization in decision-making, being genuinely interested in stakeholder input, or providing them with the rationale for decisions.

Executive Summary (3/3)

The factors that influence satisfaction with stakeholder engagement the most relate to the extent stakeholders feel valued and reflected in the decision-making process.

- The greatest opportunities to improve satisfaction are improving perceptions of the measures that influence impressions that the IESO is genuinely interested in input including: demonstrating how stakeholder input is used in decision-making, providing rationale for decisions, balancing various sector interests and engaging early enough in the decision-making process to impact outcomes.

Market Renewal: Impressions of the Market Renewal program remain predominately neutral to positive and most stakeholders simply monitor progress but aren't actively involved. Awareness and satisfaction with efforts have softened compared to previous years.

- Awareness of the Market Renewal initiative is high (72%) but has declined somewhat compared to 2019 (81%). Most monitor progress but aren't actively involved (45%), followed by two in ten who are actively involved (20%) or participate in an industry association who are represent them (18%).
- Of those aware of the initiative, most express more neutral satisfaction towards efforts (64% rated 4-7). Three in ten (28%) are highly satisfied, lower than in 2019 (36%), while relatively few are dissatisfied (8%). Rationale for more neutral ratings relate to impressions of a slow/uneven process or a lack of familiarity with the process.

Innovation: Familiarity with the IESO's efforts on innovation is somewhat mixed but all projects are seen to have some efficacy in addressing electricity sector needs and the majority of stakeholders feel engagement on these projects has met their expectations.

- Most stakeholders are at least somewhat familiar with the Storage Design Project (57%), "Distributed Energy Resources: Models for Expanded Participation in Wholesale Markets" (54%), and Grid Innovation Fund call for Applications (51%), while fewer are familiar with "Non Wires Alternatives Using Energy and Capacity Markets" (42%) and "Development of a Transmission Distribution Interoperability Framework" (34%).
- The vast majority feel all projects are at least somewhat effective at helping to address electricity sector needs (77-80%) and that engagement on these projects have met (64%) or exceeded (8%) expectations. The most common suggestions for improvement include being open to alternative sources of energy (10%), renewable energy (7%) and optimizing energy storage (6%).
- Notably, stakeholders in emerging tech have the highest familiarity with these projects and most feel they are effective (slightly less so for Grid Innovation Fund call for Applications).