



JUNE 26, 2024

Demand Side Management Update

Presentation for the Strategic Advisory Committee

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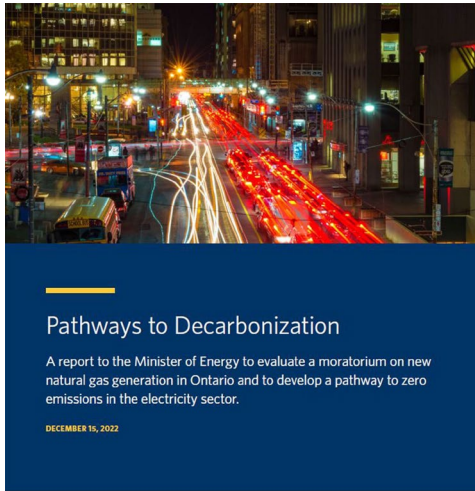
Purpose

- Provide an update on the current 2021-2024 Conservation and Demand Management (CDM) Framework and post-2024, including:
 - Save on Energy program performance
 - Priority areas for a post-2024 electricity DSM framework
 - Collaboration with LDCs
 - Further opportunities for one-window program delivery

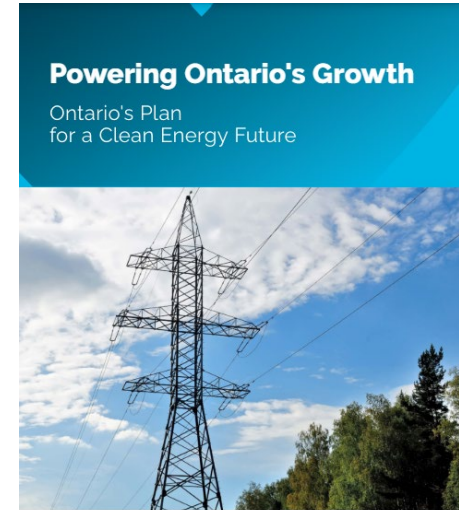
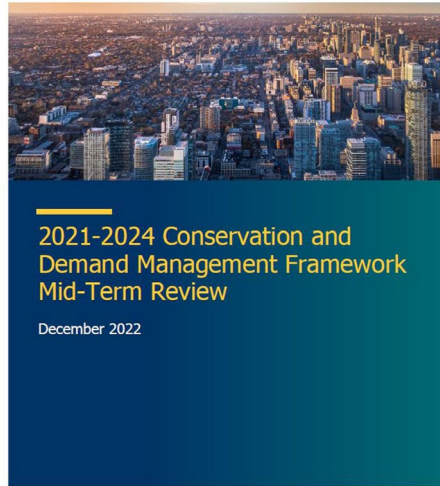
2021-2024 CDM Framework – Performance Update

- The IESO continues to make positive progress towards achieving peak demand and energy savings targets with quarterly performance improving quarter-over-quarter
- To-date, 370 MW and over 2 TWh of peak demand and energy savings committed
- Since the last SAC update, the IESO launched several new programs including:
 - **Peak Perks**, a residential demand response program for homes with existing central air conditioning and smart thermostats to help lower energy use at peak times
 - **Instant Discounts**, a commercial midstream lighting program with incentives for lighting distributors to increase sales of energy-efficient lighting through point-of-sale discounts
 - Various **Save on Energy Local Initiatives Programs** including CoolSaver for the Richview South region and HomeSealSaver for the Belle River region to address local system needs
- The IESO also enhanced program offerings including increased incentives, streamlined processes, and new DER offerings for businesses in Ottawa and greenhouses in Southwestern Ontario

DSM in the Energy Transition



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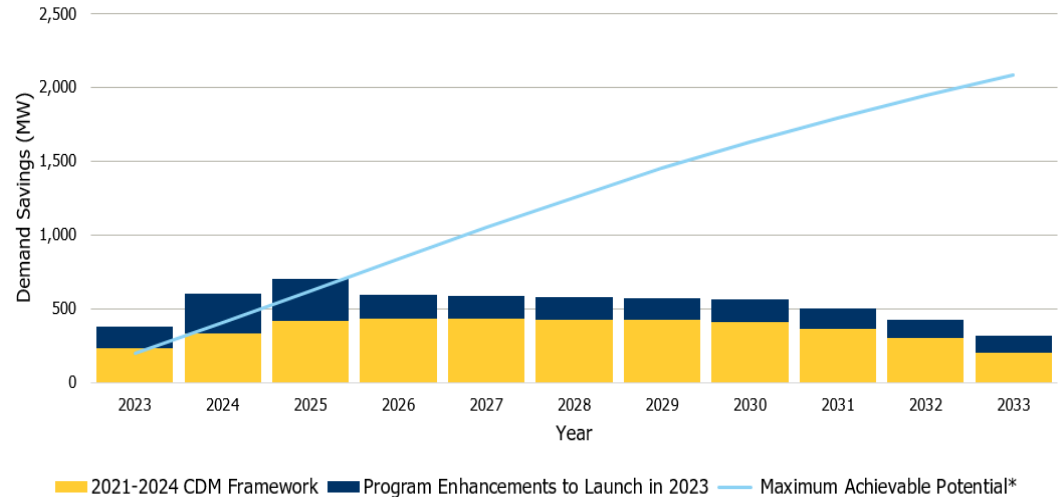
ontario.ca/energy



A series of IESO and Ministry of Energy reports highlight progress made to prepare the electricity system of the future and the work needed to address the challenges ahead, including the importance of DSM, among other resources, to cost-effectively meet both system and customer needs, and reduce emissions.

CDM Mid-Term Review: Significant Energy Efficiency Opportunity Post-2024

- Save on Energy programs leveraging all feasible energy-efficiency opportunities within the 2021-2024 framework
- Significant potential for CDM post-2024 to further support system needs: 1,900 MW savings by 2033



* Based on 2019 Achievable Potential Study

Post-2024 DSM Recommendations

The IESO's Mid-Term Review included the following recommendations for post-2024:

- Engage with LDCs on opportunities to build on IESO CDM programs to provide local system benefits, leveraging the OEB's Non-Wires Solutions Guidelines for Electricity Distributors
- Adopt an enduring approach for post-2024 that moves away from time-bound frameworks and better leverages CDM as a resource to respond to evolving system, market and customer needs.
- Conduct research in support of developing post-2024 CDM programs to meet evolving system and customer needs – particularly programs addressing sectors identified as high potential in the Achievable Potential Study refresh and customer decarbonization trends.

Post-2024 Priorities – Feb. 9, 2024 Minister's Letter

- A more enduring framework
- Expanded program offerings
- Interest in beneficial electrification, demand flexibility, and DER
- Continued focus on income-eligible and Indigenous programming
- Enhanced involvement of LDCs
- Greater natural gas and electricity DSM collaboration

LDC/IESO Collaboration and Partnership

- Under the current CDM Framework, LDCs and IESO partner to conduct marketing and outreach for the various Local Initiatives Programs
- Since February 2023, the IESO has been working collaboratively with the Electricity Distributors Association, Ontario Energy Association and LDC representatives to develop an enduring collaboration framework for post-2024 to further enable DSM to help address both local and province-wide system needs
 - The group's focus is on roles and accountabilities, tools and processes, and barriers and enabling mechanisms, grounded by a series of guiding principles
 - This work continues to be closely coordinated with the Ministry of Energy and Ontario Energy Board to ensure alignment with regulatory direction and policies

Additional Collaboration – One-Window Program Delivery

- The IESO continues to seek opportunities to collaborate with others to streamline and enhance the customer experience

Enbridge

- Collaborating in the delivery of the Energy Affordability Program with a “one-window” delivery approach, cross promotion of programs, and various capability building and training initiatives
- Exploring opportunities to further enhance this collaboration and expand to other programs

Natural Resources Canada

- Exploring funding opportunities to supplement Save on Energy programs, where appropriate

Thank You

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