

THE ELECTRICITY INSIDER

INFORMATION • TOOLS • RESOURCES

ISSUE TWO | VOLUME TWO | JUNE 2011

Summer Power Outlook

As Ontario anticipates warmer summer weather, the IESO is preparing for the increased electricity demand that accompanies higher temperatures. On May 24, the IESO released its quarterly 18-Month Outlook which forecasts a reliable supply of electricity to meet power demand for this summer and the next 18 months.

The IESO is forecasting an increase in total Ontario electricity consumption due to economic and population growth by 0.5 per cent in 2011 and 1.9 per cent in 2012 – percentages that are moderated by conservation and demand management initiatives. Ontario used 142 million megawatt-hours (MWh) of power in 2010.

On the supply side, more than 2,500 megawatts (MW) of new and refurbished generation is expected to come into service over the next 18 months. This includes two refurbished Bruce nuclear units, a natural gas generator in York Region and approximately 700 of grid-connected wind generation.

Surplus baseload generation (SBG) conditions are expected to continue this summer and fall. SBG is a system condition where the amount of baseload generation is greater than the demand for electricity. Baseload generation comes from resources that cannot easily lower their output, such as nuclear, hydroelectric and wind generators.

SBG conditions can be alleviated with any or all of: higher electricity demand in off-peak hours; exporting energy to neighbouring jurisdictions; and where possible, varying the output levels of baseload generators. Ontario will continue to experience periods of SBG as new generation is brought online to replace coal and prepare for future nuclear refurbishments. This overlap is essential so that new generation can be built and tested before older plants can be safely shut down.

An updated 18-Month Outlook is published every three months to assess the adequacy and reliability of the generation supply and transmission system in Ontario.

You can read the complete document at www.ieso.ca/18-month.outlook



Putting Energy Management on Permanent Display

Conventional thinking suggests that when your facility increases in size by 20 per cent, you will use 20 per cent more electricity. Knowing this wouldn't fly with his senior management team, Gary Bridgens of the Art Gallery of Ontario (AGO) decided to try some unconventional thinking instead.

In November 2008, the AGO completed a four-year construction project that added approximately 100,000 square feet of gallery space to its existing 486,000-square-foot floor plan. Not surprisingly, the renovation caused increases in both electricity use and electricity costs.

Bridgens, the Deputy Director of Projects and Operations, met these challenges head on with a plan to reduce energy by changing the way in which the gallery's heating and cooling systems worked. The plan was achieved through a combination of consumption reduction and pricing strategies. It saved the gallery over half a million dollars in electricity costs during the first year of implementation.

Read the remainder of the AGO case study at www.ieso.ca/imoweb/businessIndustry/bi_profile-ago.asp



Ontario Smart Grid Forum Released Second Report

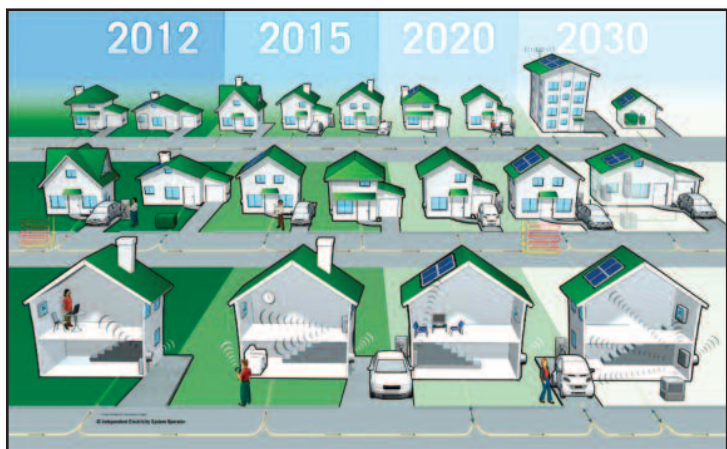
Whether it's improving power quality and reliability or supporting the development of new energy products and services, smart grids offer a multitude of advantages for energy managers.

With this in mind, the Ontario Smart Grid Forum, representing the province's utilities, industry associations, public agencies, and universities released its second report at the Energy Matters Summit on May 3. The report: "Modernizing Ontario's Electricity System: Next Steps" describes Ontario's head-start in getting the building blocks in place for a smart grid as well as issuing recommendations to build on the province's momentum in creating a smarter, more efficient electricity system.

Smart grid refers to the use of information and communications technologies to better manage the production, storage, delivery and consumption of electricity. It enables a two-way flow of information, automates many aspects of grid operation and enables such things as electric vehicles and demand response. Global spending on smart grids is expected to reach \$36 billion by 2013, reflecting the desire by utilities around the world to ensure their distribution and transmission systems can keep up with the ever-increasing demands being made of them.

The work of the forum is supported by the Corporate Partners Committee, which represents more than 28 private sector organizations active in the smart grid space – including, electric car makers, retailers, energy management companies, systems integrators and equipment manufacturers.

The report is available on www.ieso.ca/smartgridreport



TOU Prices Change to 7pm



As of May 1, off-peak time-of-use (TOU) prices will start at 7:00pm for the summer period. TOU prices are in the process of being implemented across Ontario. The majority of residential, small business and other designated consumers such as farms will be on TOU rates in 2011.

Check out www.ieso.ca/TOU for more information.

How to Save ON Energy

The Ontario Power Authority (OPA) has launched a series of conservation programs designed for all types of businesses, industry and public sector consumers. The programs help to fund energy audits, retrofit existing equipment and pursue new construction that exceeds existing building codes.

To learn more, visit www.saveONenergy.ca/business.

IESO Awarded LEED® Silver Certification

The IESO's System Control Centre has been awarded LEED® Silver certification by the U.S. Green Building Council (USGBC) in recognition of the organization's outstanding environmental performance. Examples of how the IESO attained the LEED Silver designation include the implementation of a green purchasing policy for office and building supplies and a number of initiatives to reduce water usage by 34% over the last two years, including the installation of sub-metering to track building and cooling tower consumption.

The IESO is a not-for-profit organization that manages the reliability of Ontario's power system and operates the wholesale electricity market where the hourly price of electricity is set. Through its market education program, the IESO works with consumers paying the market price by creating educational material on the market and providing opportunities for consumers to learn about the electricity sector and how they can better manage electricity costs.

For more information on the IESO's market education program, please contact:

Robert Doyle

Tel: 416.506.2839

Email: Robert.Doyle@ieso.ca

Twitter: www.twitter.com/IESO_Tweets

Facebook: www.facebook.com/OntarioIESO



Power to Ontario. On Demand.