

Conservation Progress Report

FIRST QUARTER 2018



Overview

The Independent Electricity System Operator (IESO) oversees a portfolio of electricity conservation and demand management (CDM) programs that offer savings for all Ontarians. The IESO supports local distribution companies' (LDCs) delivery of energy efficiency and demand response programs to their residential, business, and industrial customers, and offers an energy efficiency program directly to transmission system-connected customers. The IESO's conservation and demand management efforts are guided by the Conservation First Framework (CFF) and Industrial Accelerator Program (IAP), which spans over 2015-2020 and aims to achieve 8.7 terawatt-hours (TWh) of electricity energy efficiency savings persisting to the year 2020, through programs offered to all customer segments by 2020. As of February 8, 2018, 0.4 TWh of electricity energy efficiency savings are to be achieved through programs centrally delivered by the IESO, 7 TWh of electricity savings are to be achieved through programs delivered by LDCs, and an additional 1.3 TWh of savings are to be achieved through the IAP delivered by the IESO for transmission-connected customers.

This quarterly report highlights the recent achievements of Save on Energy programs and other conservation programs in the first quarter of 2018 (2018 Q1), as well as progress towards the 2020 targets. Total preliminary energy efficiency program savings results indicate 46 gigawatt-hours (GWh) and 8 megawatts (MW) of net reported incremental 2020 annual energy and peak demand savings were achieved from LDC and IESO delivered programs in this quarter.

Under CFF, IESO and LDCs programs have achieved a total of 4.8 TWh (65%) of the 7.4 TWh CFF 2020 target as of 2018 Q1. Under the IAP, 297 GWh (23%) of the revised 1.3 TWh 2020 IAP target has been achieved (in-service) as of 2018 Q1. In addition, 648 GWh (50%) of the 1.3 TWh target is currently under contract.

Key highlights for the quarter include:

- The CFF and IAP Mid-Term Review engagement complete. The IESO received significant feedback from a broad group of stakeholders that informed and shaped the report which is posted on the IESO's [engagement webpage](#). Key themes emerged on opportunities to improve the design, administration and delivery of the Framework to simplify and enhance customer experience.
- Contract execution of a centralized service provider to deliver the IESO's centrally delivered Home Assistance Program for low-income customers in Ontario.
- Publication of [Indigenous Conservation Programming: A New Approach](#) in response to the Long Term Energy Plan direction to explore conservation programming options for Indigenous communities. The report contains recommendations on options to improve conservation programs, and access to programs, for First Nations and Métis including communities served by independent power authorities.

- Establishment of a Joint Program Operations Committee (JPOC) to provide coordinated direction and oversight of the Save on Energy Conservation Programs. JPOC is comprised of IESO and LDC staff accountable for designing and providing input to the management and operations of the province-wide programs.
- Receipt and implementation of February 8, 2018 Ministerial Directive on reallocation of IAP and CFF budget to ensure consistent and equitable province-wide access to Conservation programming for all electricity customers in Ontario.
- Implementation of Spring 2018 Deal Days event which provided instant discounts on a wide range of electricity savings products for household consumers at retail locations throughout the Province.
- Establishment of the 2019 Conservation Achievable Potential Study Advisory Group to support Ontario's first integrated electricity and natural gas conservation study. The APS Advisory Group (which includes representatives from LCDs, gas utilities, service providers and customer groups) is helping to develop the study, providing stakeholder input and advice.

All Conservation activity and savings results in this report are savings persisting to 2020 unless stated otherwise, at the end-user level, based on projects reported and invoiced to the IESO, are preliminary, unverified and subject to evaluation, measurement and verification prior to be reported as final. Any projects that have been completed, but not yet reported and invoiced to the IESO are excluded. Where a value of zero is shown, this indicates that no event, project, or activity associated with savings occurred the reported period. For more information on the IESO's conservation and demand management programs, please visit www.saveonenergy.ca.

Conservation Portfolio Results

Table 1 summarizes 2018 Q1 conservation portfolio results for the 2018 Q1 quarter as well as framework to date, and progress towards respective targets. For the purposes of this report the IESO's conservation portfolio includes CFF and IAP programs, which are delivered by LDCs, or the IESO, and IAP. Note: IESO delivered CFF Programs have not yet been launched as of the end of 2018 Q1 and hence, have no activity to report as of 2018 Q1.

Table 1: Conservation Portfolio Results

Framework	2018 Q1		2015-2018 Q1		Target – Energy Savings (GWh)	2015-2018 Q1 Progress towards Target (%)
	Energy Savings (GWh)	Peak Demand Savings (MW)	Energy Savings (GWh)	Peak Demand Savings (MW)		
LDC Delivered CFF Programs	29	5	4,845	649	7,000	69
IESO Delivered CFF Programs	0	0	0	0	400	0
Industrial Accelerator Program	16	3	297	105	1,300	23

Table 2 provides for CFF and IAP, the 2018Q1 and Framework-to-date, net, energy and peak demand, first year and 2020 annual savings as of 2018 Q1.

Table 2: Savings Results by Program

	2018 Q1				2015-2018 Q1			
	First Year Savings		2020 Annual Savings		First Year Savings		2020 Annual Savings	
	Energy (GWh)	Peak Demand (MW)	Energy (GWh)	Peak Demand (MW)	Energy (GWh)	Peak Demand (MW)	Energy (GWh)	Peak Demand (MW)
Conservation First Framework Programs								
Residential Programs								
Coupon Program	0	0	0	0	1,170	79	1,066	72
Instant Discount Program	0	0	0	0	443	30	321	22
Heating & Cooling Program	4	2	4	2	208	74	208	74
New Home Construction Program	1	0.09	1	0.09	15	2	15	2
Home Assistance Program	2	0.3	2	0.3	37	5	33	5
Fridge and Freezer Pick-up Program ^[1]	0	0	0	0	6	1	0	0
Aboriginal Conservation Program ^[1]	0	0	0	0	4	1	3	1
Residential Programs Total	7	2	6	2	1,884	193	1,647	176
Business Programs								
Audit Funding Program	0	0	0	0	76	12	76	12
Retrofit Program	14	2	14	2	2,264	326	2,271	330
Small Business Lighting Program	5	1	3	1	108	23	99	22
High Performance New Construction Program	0.1	0.03	0.1	0.03	128	28	128	28
Existing Building Commissioning Program	0	0	0	0	3	1	2	0.3
Business Refrigeration Incentive Program	1	0	1	0	6	1	6	1
Process & Systems Upgrades Program	0	0	0	0	383	33	366	33
Energy Manager Program	4	1	4	1	86	15	62	11
Monitoring & Targeting Program	0	0	0	0	1	0	0	0
Business Programs Total	23	4	21	3	3,055	438	3,009	437

¹ Delivered under the 2011 - 2014 + 2015 Extension Legacy Green Energy Act Framework only

Other Programs								
CFF LDC Local Programs	2	0.04	2	0.04	195	43	142	32
CFF LDC Innovation Fund Pilot Programs	0	0	0	0	17	2	17	2
CFF IESO Centrally Delivered Programs	0	0	0	0	15	1	15	1
Legacy Framework Program Enabled Savings	0	0	0	0	16	1	7	0.1
Conservation Fund Pilot Programs	0	0	0	0	38	4	9	1
Other Programs Total	2	0.04	2	0.04	281	50	190	36
Conservation First Framework Programs Total	31	6	29	5	5,220	682	4,845	649
Industrial Accelerator Program								
Industrial Accelerator Program	16	3	16	3	320	107	297	105
Industrial Accelerator Program Total	16	3	16	3	320	107	297	105
Total	47	8	46	8	5,540	788	5,142	754

Program Participation

Table 3 provides for CFF and IAP, the 2018 Q1 and Framework-to-date participation results as of 2018 Q1.

Table 3: Conservation program participation results

	Delivery Agent	Incremental Participation as of 2018 Q1		
		Metric	2018 Q1	2015-2018 Q1
Conservation First Framework Programs				
Residential Programs				
Coupon Program	Retailers	Measures	0	43,179,601
Instant Discount Program	Retailers	Measures	0	12,087,827
Heating & Cooling Program	Contractors	Installations	6,029	350,722
New Construction Program	LDCs	Homes	27	4,714
Home Assistance Program	LDCs	Homes	820	31,907
Fridge and Freezer Pick-up Program[1]	LDCs	Appliances	0	14,733
Aboriginal Conservation Program[1]	Contractor	Homes	0	1,586
Business Programs				
Audit Funding Program	LDCs	Audits	3	1,450
Retrofit Program	LDCs	Projects	406	44,126
Small Business Lighting Program	LDCs	Projects	833	29,956
High Performance New Construction Program	LDCs	Buildings	7	816
Existing Building Commissioning Program	LDCs	Projects	0	53
Business Refrigeration Incentive Program	LDCs	Projects	112	1,189
Process & Systems Upgrades Program	LDCs	Projects	3	61
Energy Manager Program	LDCs	Projects	9	605
Monitoring & Targeting Program	LDCs	Projects	0	2
Other Programs				
CFF LDC Local Programs	LDCs	Various	797	1,835,043
CFF LDC Innovation Fund Pilot Programs	LDCs	Various	0	241,771
CFF IESO Centrally Delivered Programs	IESO	Various	0	10,398
Legacy Framework Program Enabled Savings	LDCs	Claims	0	14
Conservation Fund Pilot Programs	Various	Various	0	154,951
Industrial Accelerator Program				
Industrial Accelerator Program	IESO	Projects	33	169

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