

November 2, 2017 LDC Event – Terry’s Remarks for Conservation Leaders Panel

Amy will introduce the session and turn it over to Justin Rangooni of the EDA to moderate. You will be asked to speak for five minutes to answer the following questions:

From the point of view of your organization, what has been the value of CDM/DSM?

- Conservation continues to be the most cost-effective supply resource available, at less than four cents per kilowatt-hour, providing value to the broader system while also helping consumers to manage their electricity costs.
- Conservation helps residential consumers and businesses of all sizes manage their electricity costs and participate in the sector through the Save on Energy, Industrial Accelerator, and other programs
- Using energy wisely offers tremendous benefits for individuals, businesses and for the power system as a whole.
- Electricity use in Ontario has declined over the last 10 years, due in part to the province’s extensive efforts that encourage people to use energy more efficiently. By participating in Save on Energy programs, Ontarians reduced their energy use by 6.5 terawatt-hours (TWh) between 2011 and 2015 - enough energy to power a city the size of London for two years. And that’s not counting the improvement in codes and standards and other new technologies that reduce energy use.

From the point of view of your organization, what are your energy efficiency priorities going forward?

- Continue to foster a culture of conservation by creating easier access to new and enhanced conservation programs designed to have an enduring impact on consumer behaviour.
- Work with LDCs to build on the success of the first half of the framework where results from 2015 and 2016 demonstrate we are well on our way to achieving, even exceeding, the 8.7 TWh target.
- Continue to work with the Ministry of Environment and Climate Change and Green Ontario Fund to support the design and delivery of programs that will complement and build on the success of the IESO’s existing conservation and energy efficiency programs.
- Ensure that all LDCs, customers, channel partners, consumer groups, associations, and other interested parties have meaningful opportunities to provide feedback on the successes and challenges of the Conservation First Framework and Industrial Accelerator Program through the mid-term review, which is now underway.
- As part of the Mid-term Review, I also want to start looking beyond 2020 and what conservation looks like post-CFF. We saw in the Long Term Energy Plan that was released last week that there is an ongoing commitment to conservation in the province, and we need to start thinking about what that looks like.

Justin will ask the following questions to each of the panellists:

In the first half of the Conservation First Framework, what has been your biggest success? What have been your key learnings?

- My biggest success in the first half of the framework is really just being able to say that we are well on our way towards achieving, and even exceeding our 2020 target
- Further to the verified savings, I am proud to see the successful implementation of the province-wide Whole Home Pilot and Energy Performance Program and Mid-term Review activities.
- Another area I am pleased by the level of dialogue and engagement we have had in the first half of the framework. This level of open engagement and dialogue not just with LDCs, but with customers and other interested parties on conservation has not been seen in previous frameworks, and I am proud to say that as engagement is a cornerstone of the IESO's mandate.
 - Since the beginning of the framework we have had close to 20 LDC events and workshops, including large meetings the today's, and smaller regional meetings like those we had in May and June of this year.
 - We have had close to 10 stakeholder engagements to help inform some important initiatives including the province-wide Whole Home Pilot, Energy Performance Program, Achievable Potential Study, and most recently, the Mid-term Review.

Considering your involvement in pilots and local programs, what were the biggest surprises? What were your key learnings?

- I would not really say it's a surprise, but I have been really pleased to see the level of innovation with pilots in local programs.
- In the first half of the framework, we saw the approval of 27 local programs estimated to achieve about 389 GWh in electricity savings.
- There were 23 pilots approved with an allocated budget of approximately \$17 M from the LDC Innovation Fund, and estimated to achieve about 44 GWh in electricity savings.
- It has also been a great learning experience working with our gas utility partners in the design and delivery of the province-wide Whole Home Pilot earlier this year.

Looking forward to the second half of the Conservation First Framework, what will you be doing differently?

- There is a lot to consider going into the second half of the framework including the three Directions we received from the Ministry of Energy, the MOECC and the Green Ontario Fund, the Affordability Fund Trust that we heard about earlier today from Giuliana, the Fair Hydro Plan, and most recently, the Long Term Energy Plan.
- Beginning in 2018, the IESO will be playing a greater role in delivering programs in light of the December 2016 Direction, and the August 4 Direction. We will be delivering some programs in areas of the province where they are not available, and we will be delivering the Home Assistance Program across the province.
- While the results of the first half of the framework demonstrate positive progress and success towards the 2020 target, we cannot lose sight of the important government policies that need to be met.
- I mentioned earlier that an important aspect of conservation is that it helps customers of all sizes and types, so we need to ensure there is equitable access to programs across the province.

What's the role of collaboration in your energy efficiency work going forward? Which partnerships will help you be successful?

- Our partnerships with LDCs, customers and key stakeholders will continue to help us be successful into the second half of the framework
- We will continue to work closely, collaborate and support our LDC partners, as well as our partners at the gas utilities, and now the MOECC, to ensure a customer-centric suite of programs is available regardless of the funding source.

Questions will be taken from the audience as well.