Willms & Shier
Environment
Indigenous
Energy Law

Direct Dial: 416.642.4871
File: 7161

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November 10, 2017

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Kirsten Walli, Board Secretary

Aird & Berlis LLP
Brookfield Place, Suite 1800
181 Bay Street
Toronto, ON M5J 2T9

Attention: Fred D. Cass, Counsel to IESO

Dear Ms. Walli and Mr. Cass:

Re: Ontario Sustainable Energy Association Written Submission
Board File No. EB 2017-0150

Please find enclosed the Ontario Sustainable Energy Association's Written Submission in the above-noted matter.

Yours truly,

Robert Woon

cc: Janis Wilkinson, OSEA
Marion Fraser, Fraser & Company
Miriam Heinz, IESO
Tam Wagner, IESO
Michael Lesychyn, Board
Andrew Bishop, Board
Intervenors

Document #: 1279883

EB-2017-0150

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B).

IN THE MATTER OF an Application by the Independent Electricity System Operator seeking approval of the Ontario Energy Board for its 2017 proposed expenditure and revenue requirement and its proposed fees.

WRITTEN SUBMISSION OF ONTARIO SUSTAINABLE ENERGY ASSOCIATION

November 10, 2017

I. OVERVIEW

1 The Independent Electricity System Operator (IESO) brought an application seeking the Ontario Energy Board's (Board) approval of IESO's proposed 2017 expenditure and revenue requirement and fees. All of the issues except two were addressed in a settlement proposal accepted by the Board pursuant to Procedural Order No. 5 dated October 31, 2017.

2 The Ontario Sustainable Energy Association's (OSEA) submissions are focused on Issue 5.1 and whether IESO's proposed Regulatory Scorecard is appropriate.

3 OSEA takes no position on Issue 4.4 and whether IESO should establish a separate Market Renewal Program Deferral Account.

4 OSEA submits that IESO's Scorecard should include additional metrics about conservation in order to promote transparency and engagement in conservation programs. In particular, the Scorecard should include:

(a) an annual target for energy savings to achieve the 2020 conservation milestone

(b) the amount of energy conservation achieved in the current year, broken down into savings attributable to the LDC programs and the Industrial Accelerator program,

(c) the cumulative amount of renewable energy that has come online to-date, to achieve Ontario's 2025 forecast for renewable energy,

(d) the number of conservation programs that are 100% meter-measured compared to the full program portfolio, and

(e) the dollar value of conservation programs that are 100% meter-measured as a percentage of the full portfolio.

II. ISSUE 5.1: THE IESO'S PROPOSED REGULATORY SCORECARD

A. ANNUAL TARGET FOR ENERGY SAVINGS

5 The Scorecard should include a conservation target in TWh that IESO aims to meet in each year. The 2015-2020 Conservation First Framework sets out a target of 8.7 TWh of savings by 2020.[1] Under the Framework, 7 TWh of savings will be attributable through collaborations with LDC's, and 1.7 TWh of savings will be

[1] Evidence, Exhibit A-2-2, Page 17 of 31.

attributable to the large transmission consumers through the IESO's Industrial Accelerator Program.

6 IESO's consultant, Elenchus, stated "[a]ppropriate annual milestones consistent with these long-term targets should be identified for reporting in the Scorecard."[2] In order to effectively track progress of the conservation programs, IESO should implement a yearly milestone target for each year until 2020. This will help show how IESO intends to meet the 2020 target, allow IESO to develop the programs necessary to meet these targets, and allow IESO to more effectively track conservation year over year.

7 Given the overall target of 8.7 TWh by end of 2020, IESO should incorporate an annual target of 1.74 TWh per year, in order to effectively ensure it will meet its long term target.

8 Further, IESO should consider reporting the to-date amount of energy savings cumulatively in the 2015-2020 period, in addition to annual energy savings. By including the metrics for the actual amount of energy saved in the current year and cumulatively, stakeholders will be able to determine the percentage of the targets reached in the current year and the cumulative percentage of the 2020 target that has been achieved to date. This will give a better idea of how IESO is progressing year over year and overall.

9 For instance, IESO outlined in its 2016 Annual Report,[3] that 27% of the 2020 target had been achieved to date in 2016 for LDC programs. This is an illustrative

[2] Evidence, Exhibit C-1-1, Attachment 1, Page 20 of 56.
[3] IESO Evidence, Exhibit A-3-1, Page 16 of 56.

number that shows IESO's progress overall in meeting the target, but it is not included in the Scorecard. By including the actuals of conservation saved cumulatively, stakeholders will be better able to provide input on IESO's progress and use of funds.

B. BREAKDOWN OF ENERGY SAVINGS

10 The Scorecard currently includes the actuals of the amount of energy saved in the current year. This number should be broken down into savings attributable to the LDC programs and the Industrial Accelerator program, for greater transparency and progress tracking given that each have respective targets.

C. RENEWABLE ENERGY ONLINE TO-DATE

The Ontario government set out a forecast of 20,000 MW of renewable energy that will be online by 2025.[4] The Scorecard should include a metric on the amount of renewable energy that is online to-date in Ontario. This will allow stakeholders to track IESO's progress in meeting the 2025 forecast for renewable energy capacity.

D. METER-MEASURED ENERGY SAVINGS

11 The Scorecard should include a metric to show IESO's to-date progress on its efforts to implement conservation programs that are 100% fully meter-measured.

12 The IESO reported to intervenors the percentage of programs that are meter-measured in comparison to the full program portfolio in terms of dollar value and the number of programs.[5]

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[4] Achieving Balance: Ontario's Long Term Energy Plan, 2013 <https://files.ontario.ca/books/ltep_2013_english_web.pdf>

[5] Evidence, Exhibit C, Tab 5, Schedule 1.

13 OSEA submits that IESO should be required to continue to report on these metrics to show its progress on verifying energy savings and incorporating more meter-measured programs.

III. CONCLUSION

14 OSEA submits that having annual, quantifiable targets and more specific metrics in the Scorecard is important for transparency to IESO stakeholders. Additional metrics on the achievement of 2020 energy savings will assist stakeholders to stay informed of IESO's progress, targets, and investments in relation to conservation.

15 IESO has acknowledged that it will "track the performance and spending of the Conservation First Framework to better understand progress to date".[6] It is important for not only IESO to understand progress to date, but stakeholders as well. This will enable stakeholders to evaluate IESO's spending and budget, as stakeholders will be more informed of the investments IESO is making, the cost effectiveness of IESO's investments into conservation programs and the returns that IESO is achieving.

16 OSEA further submits that specific metrics will encourage higher stakeholder engagement as stakeholders have more knowledge of the progress and the goals. This may increase willingness to participate in renewable and conservation programs, develop programs, and create innovative market solutions.

[6] Evidence, Exhibit I, Tab 1.1, Schedule 2.04.