

Memorandum

To: Strategic Advisory Committee

From: Denise Jamal, Director, Stakeholder and Community Engagement

Date: August 2, 2023

Re: IESO Business Update – 2022 Engagement Survey Results

The following update has been prepared for members of the Strategic Advisory Committee (SAC) on the results of the 2022 Stakeholder and Community Survey.

Each year, the IESO undertakes a survey of stakeholders and communities to better understand their perceptions of the IESO and to inform how the organization can better meet their needs. The 2022 survey was administered by Ipsos; the Key Findings summary of the 2022 survey are attached.

At the sector level, respondents continue to rank the most pressing issue related to the electricity system as cost/price, followed by sustainability/green energy and reliability, both of which showed significant increases from previous years. While not in the top ranking of issues, generation/capacity and planning/design for the future have also become more prominent. The ratings of the electricity system as a whole have been gradually softening since 2020.

The overall impression of the IESO continues to be largely positive, although there has been a softening of respondents' attitudes. Trust in the IESO is driven primarily by impressions of how well the organization operates a reliable system and in a cost-effective manner. In terms of specific areas of performance, impressions of the IESO continue to be strongest for operating a reliable system and expertise of staff. Other areas of strength include seeking input from a broad audience and the establishment and enforcement of market rules. Areas identified by respondents for improvement include acting on input, demonstrating transparency in the decision-making process and providing the rationale for decisions.

New to the 2022 survey, respondents were asked to rate familiarity, importance and performance for the priority imperatives of the [2022 – 2027 Corporate Strategy](#). The most familiar imperatives, and those identified as being the most important, include: adapt the IESO’s short and long-term planning to meet evolving system needs; advise on and actively participate in dialogue on the configuration of the future-state, sustainable energy system; and cost-effectively acquire services to maintain reliability in the evolving sector. Fewer respondents were aware of the imperatives focused on building next generation skills and championing cyber security. Performance ratings across each imperative are largely neutral with the highest ratings related to cyber security, and strengthening engagement and relationships via purposeful, transparent outreach. The 2022 data provides a baseline to measure changes over the five-year duration of the corporate strategy.

With respect to engagement, the IESO was seen as performing well in clearly setting out the scope of activities, effective facilitation of sessions, and the timeliness of the process. Respondents also shared areas where they would like to see improvements including alignment with community needs, balancing the sector interests, being open to new ideas and engaging early enough to impact outcomes. The Corporate Performance Measure (CPM) for meeting or exceeding expectations related to engagement was 74 per cent which is below the CPM target of 80 per cent. While directionally lower than the rating of 79 per cent received the previous year, the survey provider does not consider the change to be statistically significant.

New questions were asked in last year’s survey to learn more about communities. When asked how well equipped communities were to participate in IESO engagements, the vast majority (77 per cent) agreed they were well-equipped. Results were generally consistent across municipal and Indigenous survey respondents. When asked about the types of additional support that would be helpful in ensuring their community is well equipped to participate, by far the most common suggestion was having more or better opportunities for engagement, followed by more resources and increased capacity. The vast majority of community respondents feel that the IESO’s community outreach activities are effective.

The survey results are an important input in the development of the IESO’s refreshed external framework to be launched in 2024. Focused on supporting the implementation of the IESO corporate strategy, the framework will set out how the IESO’s engagement commitment, approach and processes will help to drive and guide the future of the sector through collaboration with our stakeholders and communities.

Preparations are underway to commence administering the 2023 Stakeholder and Community Survey beginning in September. Attendees in the IESO's engagement activities will be contacted about the survey and others can opt in to participate by sending an email to engagement@ieso.ca. We look forward to your participation in this year's survey.

STAKEHOLDER & COMMUNITY SURVEY

2022 Annual Survey

Presentation of findings

January 2023

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Key Findings (1/3)

- Attitudes towards the IESO and the electricity system in general have softened for a second consecutive year and stakeholders are much more pessimistic about the future of the system.
- Perceptions have declined across several metrics including satisfaction, advocacy and impressions of operational reliability and enforcement of market rules which play a key role in driving trust.
- Of the IESO's priorities, stakeholders feel it is most important to focus on planning to meet system needs, engaging on the future energy system and maintaining reliability in a cost-effective manner.
- Indigenous stakeholders hold a more positive impression of the IESO, while environmental advocacy groups continue to be the more critical.
- Year-over-year, sentiment has grown more negative most notably among energy services providers who are less satisfied, less likely to advocate on behalf of the organization and have weaker impressions of the enforcement of market rules and expertise of staff.

Key Findings (2/3)

- Trust in the IESO is driven primarily by impressions of how well the organization operates a reliable system and in a cost-effective manner. The establishment and enforcement of market rules and aligning the engagement process with community needs also play a prominent role in influencing attitudes of trust.
- The greatest opportunities to build trust are to maintain strong performance on operational reliability and work to improve perceptions of how the IESO operates the system in a cost-effective manner and aligning the engagement process with community needs.
- Cost-effectiveness is best addressed through demonstrating transparency and providing rationale for decisions, while alignment of engagement activities to community need can be improved by demonstrating an openness to new ideas and balancing sector interests.

Key Findings (3/3)

- **Most feel the stakeholder engagement process meets their needs; however satisfaction has declined and fewer feel it has led to effective change. A lack of collaboration is most commonly cited for the process falling short of expectations and has become a more salient concern, along with impressions of a slow process and the desire for higher quality information.**
- **The IESO performs well for clearly setting out the scope of activities, effective facilitation of sessions, and the timeliness of the process, while impressions are much lower for alignment with community needs, balancing sector interests, being open to new ideas and engaging early enough with stakeholders to impact outcomes.**
- **Satisfaction with stakeholder engagement is influenced by a variety of factors, of which aligning the process with community needs/ interests and demonstrating an openness to new ideas have the greatest impact.**
- **The greatest opportunities to improve satisfaction with stakeholder engagement are in working to better align the engagement process with community needs/interests, demonstrating an openness to new ideas and a in balancing the various sector interests in decision-making.**