

Conservation Progress Report

SECOND QUARTER 2018



Overview

The Independent Electricity System Operator (IESO) oversees a portfolio of energy efficiency programs that enable all Ontarians to use energy wisely. 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 through the Industrial Accelerator Program (IAP). Programs aim to achieve 8.7 terawatt-hours (TWh) of electricity energy savings by 2020 and are available to all customer segments.

This report highlights the recent achievements of Save on Energy and IESO delivered programs in the second quarter of 2018 (Q2 2018), as well as progress towards the 2020 target. Total preliminary Q2 2018 incremental energy efficiency program savings results indicate 221 gigawatt-hours (GWh) and 21 megawatts (MW) of net reported 2020 annual energy and peak demand savings respectively.

Ontario's energy efficiency programs have achieved a total of 5,268 GWh (71%) of the 7.4 TWh 2020 target as of Q2 2018. Under the IAP, 393 GWh (30%) of the revised 1.3 TWh 2020 IAP target has been achieved (in-service) as of Q2 2018, with an additional 684 GWh currently under contract.

Key highlights for the quarter include:

- The final conservation mid-term review engagement [report](#) was completed in April 2018. The IESO received significant feedback from a variety of sector stakeholders that informed and shaped the report. This report informed the IESO Mid-Term Review recommendations which were submitted to the Ministry of Energy on June 1, 2018.
- Delivery of the Centrally Managed Home Assistance Program (HAP) across the province has made significant progress since its launch in May 2018. As of the end of August 2018, approximately 3,000 customers have been enrolled (30% of the 2018 goal), with many customers presently moving through the energy audit and measure-install stages.
- The IESO commissioned the production of the [Ontario Municipal Energy Profile Report](#) to gain further insight into the current state of municipal energy use in Ontario, and to provide advice to municipalities to help control their energy costs. Between 2010 and 2017, municipalities reduced their electricity consumption by 6% and approximately 74% of municipalities and municipal service boards completed at least one project through the Save on Energy programs, resulting in 330 GWh of annual electricity savings. The research from this report will be valuable as municipalities prepare their plans to drive further cost reductions and energy savings.

All 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 energy efficiency programs, please visit www.saveonenergy.ca.

Portfolio Results

Table 1 summarizes results for Q2 2018 as well as to date, and progress towards respective targets. For the purposes of this report the IESO's portfolio includes programs which are delivered by LDCs, or the IESO, and IAP.

Table 1: Conservation Portfolio Results

2015-2020 Framework	Q2 2018		Q2 2015-2018		Target – Energy Savings (GWh)	Q2 2015-2018 Progress towards Target (%)
	Energy Savings (GWh)	Peak Demand Savings (MW)	Energy Savings (GWh)	Peak Demand Savings (MW)		
2015-2020 IESO & LDC Programs	124	11	5,268	700	7,400	71
Industrial Accelerator Program	97	9	393	114	1,300	30

Table 2 provides savings for Q2 2018 and to-date, net, 2020 annual energy and peak demand savings as of Q2 2018.

Table 2: Savings Results by Program

Programs	Q2 2018		Q2 2015-2018	
	Energy (GWh)	Peak Demand (MW)	Energy (GWh)	Peak Demand (MW)
Residential Programs				
Coupon Program	0	0	1,076	72
Instant Discount Program	89	6	447	31
Heating & Cooling Program	1	0.4	221	77
New Home Construction Program	1	0.1	17	3
Home Assistance Program	0.4	0.05	34	5
Fridge and Freezer Pick-up Program ¹	0	0	0	0
Aboriginal Conservation Program ¹	0	0	3	1
Residential Programs Total	91	7	1,798	189

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

	Q2 2018		Q2 2015-2018	
	Energy (GWh)	Peak Demand (MW)	Energy (GWh)	Peak Demand (MW)
Business Programs				
Audit Funding Program	0.1	0.01	79	12
Retrofit Program	13	2	2,463	361
Small Business Lighting Program	2	0.4	103	23
High Performance New Construction Program	1	0.2	132	29
Existing Building Commissioning Program	0	0	2	0.3
Business Refrigeration Incentive Program	2	0.3	10	1
Process & Systems Upgrades Program	9	1	388	36
Energy Manager Program	2	0.3	87	14
Monitoring & Targeting Program	0	0	0	0
Legacy Framework Program Enabled Savings ²	0	0	7	0.1
Business Programs Total	30	4	3,271	477
Other Programs				
LDC Local Programs	2	0.2	152	29
LDC Innovation Fund Pilot Programs	1	0.3	24	3
IESO Centrally Delivered Programs	0	0	15	1
Conservation Fund Pilot Programs	0	0	9	1
Other Programs Total	3	0.5	199	34
2015-2020 Programs Total	124	11	5,268	700
Industrial Accelerator Program	97	9	393	114
Industrial Accelerator Program Total	97	9	393	114
Total	221	20	5,662	814

² Delivered under the 2011 - 2014 + 2015 Extension Legacy Green Energy Act Framework only

Program Participation

Table 3 provides the Q2 2018 and to-date participation results as of Q2 2018.

Table 3: Conservation program participation results

	Delivery Agent	Incremental Participation as of Q2 2018		
		Metric	Q2 2018	Q2 2015-2018
2015-2020 Programs				
Residential Programs				
Coupon Program	Retailers	Products	0	43,758,360
Instant Discount Program	Retailers	Products	7,554,219	22,811,664
Heating & Cooling Program	Contractors	Equipment	1,901	368,537
New Construction Program	LDCs	Homes	30	4,990
Home Assistance Program	LDCs	Homes	134	33,085
Fridge and Freezer Pick-up Program	LDCs	Appliances	0	14,733
Aboriginal Conservation Program	Contractor	Homes	0	1,586
Business Programs				
Audit Funding Program	LDCs	Audits	9	1,678
Retrofit Program	LDCs	Projects	368	48,613
Small Business Lighting Program	LDCs	Projects	634	31,120
High Performance New Construction Program	LDCs	Buildings	8	896
Existing Building Commissioning Program	LDCs	Projects	0	76
Business Refrigeration Incentive Program	LDCs	Projects	307	2,088
Process & Systems Upgrades Program	LDCs	Projects	3	130
Energy Manager Program	LDCs	Projects	8	684
Monitoring & Targeting Program	LDCs	Projects	3	8
Legacy Framework Program Enabled Savings	LDCs	Claims	0	13
Other Programs				
Adaptive Thermostat Local Program	LDCs	Homes	2	6
First Nations Conservation Local Program	LDCs	Homes	762	3,570
Instant Savings Local Program	LDCs	Homes	4,040	4,281
Pool Saver Local Program	LDCs	Homes	104	2,288
PUMPsaver Local Program	LDCs	Projects	14	273
RTUsaver Local Program	LDCs	Projects	11	23
Other LDC Local Programs	LDCs	Various	0	n/a ³
Toronto Hydro – Enbridge Joint Low-Income	LDCs	Homes	3,175	15,372
Other LDC Innovation Fund Pilot Programs	LDCs	Various	0	n/a ³
IESO Centrally Delivered Programs	IESO	Various	0	n/a ³
Conservation Fund Pilot Programs	Various	Various	0	n/a ³
Industrial Accelerator Program				
Industrial Accelerator Program	IESO	Projects	41	210

³ Each program's participation is measured in terms of different, distinct and non-comparable units of measure (e.g. homes / projects / equipment / devices, etc.) and thus it is not appropriate to sum participation across programs within program categories.

Independent Electricity System Operator

1600-120 Adelaide Street West
Toronto, Ontario M5H 1T1

Phone: 905.403.6900

Toll-free: 1.888.448.7777

E-mail: customer.relations@ieso.ca

ieso.ca

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