

Memorandum

To: Stakeholder Advisory Committee

From: Candice Trickey, Director, Corporate Affairs, IESO

Date: March 9, 2022

Re: IESO Business Update – Engagement Update

The following provides an update to members of the Stakeholder Advisory Committee (SAC) on engagement activities currently underway at the IESO.

Last year the IESO hosted close to 80 individual virtual events, with total registrations exceeding 5,600 attendees. This included a marked increase in the number of attendees from municipalities, First Nation communities and groups, innovative service companies and academia.

Since the last SAC meeting in November 2021, the IESO held a Summit-Lite on Ontario’s Evolving Electricity System, focused on current trends, drivers and opportunities for various consumer segments among the power-sector. The IESO also launched three new engagements on Clean Energy Credits, Pathways to Decarbonization, and the Long-Term RFP, and hosted two public information sessions on Transmission Rights and the 2021 Annual Planning Outlook. The IESO also launched the Transmission-Distribution Coordination Working Group which held its first meeting in January.

For a look at the active engagements underway at the IESO, please visit the recently enhanced [IESO Engagement webpages](#) on the IESO’s site. Also, a more thorough summary of all active IESO engagement initiatives can be reviewed [here](#) and is updated and posted on the agenda page each month.

Below are updates to key engagement initiatives that are included for SAC’s awareness.

Clean Energy Credits

The IESO met with interested stakeholders in February to provide more information on how Clean Energy Credits may support consumers in achieving their clean energy goals and discussed ways to gain insight on specific CEC preferences and priorities via a survey issued by

the IESO. Next steps include coming back in April for additional time to collaborate with stakeholders and for the IESO to report back on feedback received that will inform draft design concepts.

Hybrid Integration Project

The Hybrid Integration Project met with stakeholders in February to share further details on the draft foundational details and designs of the project. Stakeholders had questions around licensing requirements with the Ontario Energy Board (OEB) and whether any new licenses would be required which will be discussed further with stakeholders at upcoming sessions. Stakeholders are invited to provide input on the draft foundational designs to finalize the design for the two identified models by March 17.

Industrial Energy Efficiency Program (IEEP)

The IESO met with stakeholders recently to discuss the launch of the Industrial Energy Efficiency Program (IEEP) to clarify program rules. Stakeholders have been active in previous sessions and through the formal feedback process which has been very much appreciated. Stakeholders are encouraged to comment on the draft final program documents, including key contract terms regarding project and participant eligibility, incentive payments, and project evaluation criteria. This will serve as the final engagement session before program materials are finalized, with a planned program launch in spring 2022.

Pathways to Decarbonization

The IESO held the first engagement session on the Pathways to Decarbonization initiative. The Pathways engagement stems from the work on the Gas Phase-Out Impact Assessment from 2021. Since releasing the report, the Ministry has asked the IESO to continue to engage with stakeholders and further explore pathways to decarbonize the electricity sector. At this first engagement session, the IESO presented the overall approach and advised stakeholders on the important work ahead and need for stakeholder input to inform the study.

Stakeholder comments and questions at the session included further clarity on the scope of the study, assumptions that are under consideration, and how the adoption of different technologies will impact demand and viable pathways to decarbonization. The IESO looks forward to ongoing engagement with stakeholders on this initiative and has included this item on today's SAC agenda.

The IESO's stakeholder engagement framework continues to provide sector stakeholders with regular opportunities for discussion, collaboration and feedback on key areas of focus and initiatives underway at the IESO and across the electricity sector on a monthly basis. Stakeholder input is essential to the IESO's decision-making process and will continue to drive the important exchange of information and views on various topics.