

IESO Response to Stakeholder Feedback

Industrial Energy Efficiency Program (IEEP) Phase 3 Engagement – February 23, 2022

Following the [February 23, 2022 Industrial Energy Efficiency Program \(IEEP\) engagement webinar](#), the IESO invited stakeholders to provide comments and feedback on the materials presented by March 11, 2022.

The presentation materials and stakeholder feedback submissions have been posted on the IESO stakeholder [engagement webpage](#) for this engagement. Please reference the material for specific feedback as the below information provides excerpts and/or a summary only.

Topic 1 – Program Requirements

1.1 Are there any elements of the IEEP Program Requirements which require further clarification?

Feedback

Stakeholders expressed general support for the program requirements while providing the considerations summarized below.

Considerations

The minimum electricity savings of 2,000 MWh per year and at least 15% of electricity energy use should be reduced to allow broader participation.

Eligible projects should be allowed up to five (5) years to achieve in-service status, to allow time for the typical elements of a complex project to take place.

IESO Response

The IESO is seeking to support energy efficiency projects that address large, systemic process improvements through this program. The IESO may revisit the minimum project threshold in the

second call for proposals in 2023, if the outcomes of the first call in 2022 suggest a need or opportunity to expand the IEEP.

The 15% savings requirement applies to the specific project boundary. A project boundary may isolate a single targeted process/system, or multiple processes/systems, or perhaps a whole building. Where the project boundary is defined appropriately, the IESO believes the 15% savings requirement will be an achievable threshold for most projects, and is consistent with historical data from industrial process and systems projects that produced statistically significant verified savings, specifically those with relative uncertainty less than the recommended 50%.

The IESO expects that project implementation timelines will be in the order of 12 to 24 months after the awarding of incentives. Furthermore, 2021-2024 CDM Framework programs are intended to support projects which are capable of producing nearer-term system benefits. Projects which are expected to take longer than 3 years to complete would not be considered suitable or eligible for this program.

Topic 2 – Participant Agreement

2.1 Are there any elements of the IEEP Participant Agreement which require further clarification?

Feedback

The IESO did not receive any feedback regarding the terms of the IEEP Participant Agreement

Topic 3 – General Comments/Feedback

Feedback

In addition to the suggestions outlined above, the IESO received inquiries relating to specific project eligibility. These questions have been summarized below.

Considerations

Do energy efficiency projects targeting water and wastewater processes meet the eligibility requirements for industrial processes?

Are renewable energy projects – which in some cases support an industrial process – considered eligible?

IESO Response

Projects which target water and wastewater processes would be considered eligible provided they meet all other program eligibility requirements.

With the exception of certain waste energy recovery projects, renewable generation projects are considered ineligible under the IEEP. For further questions regarding the suitability of specific projects, please reach out to an IESO Business Advisor or email us at industrialEEprogram@ieso.ca.

Concluding Remarks

The IESO would like to thank all stakeholders who submitted comments.

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