



Power to Ontario. On Demand.

IESO SENIOR MANAGEMENT UPDATE

To: Stakeholder Advisory Committee

Date: June 3, 2009

Subject: **Update on Consumer Forum**

Information Item

As part of its commitment to the Stakeholder Advisory Committee to report on its consumer-focused activities on an annual basis, the IESO has produced a Consumer Forum Report: www.ieso.ca/consumerforumreport. This report focuses on activities and initiatives undertaken in 2008 to meet the program's objectives of:

- promoting awareness among electricity consumers in Ontario about electricity sector issues and the IESO's plans and activities to address them;
- creating an environment conducive to learning the issues, discussing efforts to address them and identifying potential impacts on consumers;
- helping Ontario electricity consumers provide feedback and input into the IESO's plans and activities; and
- providing consumer representatives on the Stakeholder Advisory Committee with a mechanism for more effectively gathering consumer input.

Activities in 2008 were targeted at three main groups of consumers: large-volume market participants, mid-sized customers that pay the market price and low-volume residential and small business.

2008 Report Findings

The report indicates that the IESO's education and engagement efforts are having a positive impact with end-use customers. The IESO's understanding of consumers' needs and interests has led to more effective and targeted communications products and approaches. Most business and residential consumers are receptive to basic electricity market information and opportunities to manage costs, while most public sector organizations have either already moved to or are prepared for the move to market prices in November 2009.

Recommendations

The bullets below highlight the report's key recommendations followed by a list of initiatives that are either currently underway or planned for 2009 to support them.

1. That the IESO partner with other industry stakeholders to broaden and enhance its outreach to low-volume consumers to extend awareness of the changes taking place in Ontario's electricity system and their potential impacts.
2. That the IESO leverage new and existing online information products to communicate to large-volume consumers the direct and immediate impacts of market operations and outcomes on their business.
3. That the IESO work in coordination with its partners to prepare consumers for changes to rate structures (i.e., the MUSH transition to hourly prices, and the residential shift to time-of-use rates) through active, timely and appropriate communications efforts.
4. That the IESO encourage and support further input from consumers through all appropriate channels.
5. That the IESO continue to research and communicate how market operations and market outcomes impact different consumer segments.

2009 Plans

Research:

- Specific market research with embedded commercial and industrial consumers who pay the spot market price will ensure that information, products and services are meeting the needs of this consumer group. The research will focus on price responsiveness and engagement in the electricity market with a particular focus on demand response and conservation.
- Based on consumer feedback, the IESO will investigate online market data presentation and access to improve electricity cost signals to influence the business decisions of consumers who pay the hourly price of electricity.

Outreach:

- The IESO's Stakeholder Engagement process will continue to make a special effort to engage large-volume consumers in Ontario by seeking their input directly through one-on-one meetings and meetings specific to consumers where appropriate.
- In partnership with Local Distribution Companies and others, outreach throughout 2009 will target small business associations and residential consumers through IESO presentations at conferences or association meetings and publications.



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- Outreach by IESO executives will include touring facilities of a few large-volume market participants to gain a better understanding of their needs.

Communication:

- Continue partnerships with Local Distribution Companies to share market information with their mid-sized industrial and commercial consumers with demand greater than or equal to one megawatt.
- The IESO worked very closely with Ontario's public sector organizations and other designated customers throughout 2008 to ensure they understand the implications of moving to an hourly price. As the date of the rate change for this sector has shifted to November 1, 2009, the IESO will continue its education efforts on energy management tools and techniques through workshops, conferences, speeches, publications and direct correspondence.
- The IESO is working with the Ministry of Energy and Infrastructure and Local Distribution Companies to develop universal communication products to help residential and small business consumers prepare for the move to time-of-use rates and understand their options for reducing electricity costs.

Building on the successes of the Consumer Forum in 2008, the IESO will report on its consumer-focused activities and initiatives undertaken in 2009.