

Commercial Consumers, Mark Schembri

Each Member of the Stakeholder Advisory Committee has been asked to provide feedback on the IESO's strategic direction: The following are the Commercial Sector Comments:

1. Does your sector support the overall direction and intent of the IESO's strategic objectives?

Yes, the Commercial Sector supports the overall direction and intent of the IESO's strategic objectives. We are particularly interested in expanding the Global Adjustment Allocation beyond Class A customers and the development of clear price signals that encourage demand side response. Projected increases in electricity costs are a major concern and need to be contained.

2. Does your sector continue to support initiatives identified as the IESO's primary focus for the next three years? a. Renewable Integration (includes managing SBG), b. Market Roadmap, and c. Energy Modeling

Yes, we support the identified initiatives as the IESO's primary focus.

3. Is there a strategy or initiative the IESO has identified that your sector would not consider a priority?

From a Commercial perspective, all of the strategies and initiatives are important. The allocation of the Global Adjustment, Renewable Integration and clear price signals are the highest priorities at this point in time.

4. Is there something substantial that is not being addressed by the IESO?

We believe the substantial issues have been identified.

5. The IESO will be expanding its strategic objectives to include an increased focus on the consumer. From the SAC's perspective, what should this include? How would each of the sectors recommend the IESO accomplish this?

We agree that there needs to be more focus on the end use consumer. The Commercial Sector represents approximately 50% of the provincial energy consumption, yet the IESO focus has tended to be on the wholesale consumers, which are primarily Large Industrial. We need more

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emphasis on the General Service customers between 50 kW and 5000 kW that are embedded within LDC's. As an example, the current DR programs target large industrials and aggregators, with the assumption that the aggregators will deliver results for the Commercial Sector. This needs to be addressed.

Also, although not currently the purview of the IESO, a priority for commercial consumers is that CDM (conservation and demand management) programs be well managed and effective, providing verifiable savings, and facilitating sustained energy efficiency. Looking forward, an alternate model could have the IESO with responsibility for oversight and assurance of effective CDM design and delivery.