

Commercial Sector Feedback

1. Please identify for each of these whether or not you agree the IESO, or others, should pursue this initiative, and for those you agree with, rank in order of priority:
 - a. Explore opportunities to lower the minimum size for participation in IESO-administered markets and services procured by the IESO.
Agree (Priority 5)
 - b. Explore opportunities for different levels of participation – lesser standards, and lesser compensation, for smaller participants that offer less reliability.
Agree (Priority 4) Existing DR programs appear to be designed primarily for the Industrial consumer (example: no real weather normalization for the CBL). There are some credibility issues associated with curtailment calls during periods of low Provincial demand. Proper standards (and not lower standard) are required.
 - c. Consider creating a new class of participant to enable aggregation of smaller facilities
Agree (Priority 3) Suggest that this would work well for chain accounts and portfolio customers. It should be possible for large portfolio consumers to register on their own.
 - d. Explore feasibility of developing environmental signals.
Agree (Priority 1). An environmental signal is potentially a key driver for DR. Currently, increasing numbers of large consumers are doing emissions reporting based on average annual emission factors that are three years out of date. At the same time, the HOEP in this hybrid market is now largely ignored. We know that Ontario has very clean off-peak generation with nuclear, hydro, and renewables while summer on-peak consumption includes fossil generation such as coal, oil, and natural gas, but few metrics are available to really drive this message home. Suggest that an hourly emissions factor (kgCO₂e/MWh) similar to the HOEP (the HOEE?) would provide much more tangible and powerful signal to all consumers as to when it is important to curtail demand. Likewise it would clarify the relative value to the planet of consuming on/off peak in a way that is much more powerful than price, as emissions could be more than 1000 times larger during on-peak periods.
 - e. Undertake research to evaluate consumer knowledge on the market/DR programs and define education opportunities.
Agree (Priority 7), although generally a preferred approach to more research is: leadership, implement, monitor results.
 - f. Undertake research to test the extent that consumers are inclined to manage energy use based on price, market or environmental signals
Agree (Priority 6), although generally a preferred approach to more research is: leadership, implement, monitor results.

g. Evaluate the customer segments that offer the most potential to become demand responsive and how they will be encouraged to participate.

Agree (Priority 8), although generally a preferred approach to more research is: leadership, implement, monitor results.

2. Are there other initiatives you believe should be pursued?

Encourage more Off-Peak Electricity Consumption with targeted programs to specific processes in commercial and industrial (thermal storage in commercial HVAC and Refrigeration). This would assist with excess production caused by wind generation, and would be aligned with environmental price signals (HOEE).