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# Overview of Save on Energy Programs – Partners in Project Green

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# Energy Efficiency in Ontario – Background

For more than 14 years, the Ontario Power Authority (OPA)/IESO has facilitated energy-efficiency programs and services that have been instrumental in reducing energy costs for customers and provided a cost-effective way to off-set electricity demand

2006 - 2010	2011-2014 Framework	2015-2019 Framework	Interim Framework	2021-2024 CDM Framework
<ul style="list-style-type: none"> <li>• 1-3 year funding commitments</li> <li>• Every Kilowatt Counts brand</li> <li>• Hybrid delivery by OPA and Local distribution companies “LDCs”</li> </ul>	<ul style="list-style-type: none"> <li>• Peak demand and energy targets</li> <li>• Centralized program design (OPA)</li> <li>• One key delivery channel (LDCs)</li> <li>• Established <b>Save on Energy</b> brand to ensure customers receive consistent message</li> </ul>	<ul style="list-style-type: none"> <li>• Energy targets only</li> <li>• Decentralized LDC-led program design</li> <li>• Regional collaboration &amp; gas integration</li> <li>• Introduction of risk-based financing</li> <li>• Greater transparency in reporting and costs</li> <li>• “Culture of Conservation”</li> </ul>	<ul style="list-style-type: none"> <li>• Energy and peak demand targets</li> <li>• IESO program design and delivery</li> <li>• Driving cost-efficiencies</li> </ul>	<ul style="list-style-type: none"> <li>• Energy and peak demand targets</li> <li>• IESO program design and delivery</li> <li>• Driving cost-efficiencies</li> <li>• Focused on customers, areas with need is greatest</li> <li>• Planning for the future of energy efficiency</li> </ul>

# 2021-2024 CDM Framework

IESO received Ministerial direction in October 2020 to launch a new **four-year \$692M** Conservation & Demand Management (CDM) framework funded from global adjustment (GA)

- Framework focused on cost-effectively meeting Ontario's electricity system and customer needs
- Target provincial **peak demand reductions** and leverage CDM to **address regional/local electricity system needs** as a **cost-effective** alternative to traditional transmission/distribution infrastructure
- Programs **centrally delivered** by IESO under the Save on Energy brand to **highest-need customers**: commercial, institutional, industrial customers, on-reserve First Nation communities, and low-income residential

IESO posted a four-year CDM Plan in December 2020 consistent with government Directive with a forecast target of **2.7 TWh** electricity saving and **440 MW** peak demand reductions; this represents a portion of the achievable potential with room for additional savings

# 2021-2024 CDM Framework – Additional Programming

In October 2022, IESO received a ministerial directive in connection with the 2021- 2024 CDM framework to enable additional programming. Highlights include:

- **\$342 million** increase to the CDM budget, from \$692 million to more than **\$1 billion**
- Additional peak electricity demand savings of 285 MW and annual energy savings of 1.1 TWh by 2025 totalling **725 MW** and **3.8 TWh** respectively

## **IESO to deliver four new/enhanced programs in 2023:**

- Enhanced Save on Energy **Retrofit Program** to include **custom projects**
- A new **residential demand response** program
- New targeted support for **greenhouse growers** in Southwestern Ontario
- Enhanced Save on Energy **Local Initiatives Program**

# Save on Energy for Business

- Programs that provide incentives to help Ontario businesses of all sizes implement retrofits and other energy-efficiency projects to lower their energy costs, including:
  - Small Business Program
  - Retrofit Program
  - Energy Performance Program
  - Industrial Energy Efficiency Program
  - Strategic Energy Management Program
  - Existing Building Commissioning Program (June 2023)



For energy-efficiency and program updates, sign up for the Save on Energy quarterly business newsletter at <https://www.saveonenergy.ca/en/Manage-your-subscriptions>

# Retrofit Program

- Designed to help Ontario businesses save energy, reduce costs and increase productivity
- Offers financial incentives for equipment upgrades that reduce facility electricity consumption
- Commercial, industrial, institutional, multi-residential and agricultural businesses can participate
- Includes both custom and prescriptive incentives for energy efficiency measures, custom incentives coming this spring



Learn more at [SaveOnEnergy.ca/Retrofit](https://www.saveonenergy.ca/Retrofit)

# Retrofit Program – Eligible Projects

- Projects eligible for the Retrofit Program are generally those that provide sustainable, measurable and verifiable reductions in peak electricity demand and electricity consumption
- Incentive offerings include custom rates and predefined rates for prescriptive equipment upgrades. These are based on the amount of energy or demand savings of the new equipment

## What types of projects are eligible?

- Lighting retrofits
- Lighting controls
- HVAC equipment replacement, redesign
- Industrial process upgrades
- Variable-speed drive installations
- Refer to [SaveOnEnergy.ca/Retrofit](https://www.saveonenergy.ca/Retrofit) for a complete list.

# Retrofit Program – Updates

- Custom track to be re-introduced in May 2023
- Updated incentive structure\*
  - New increased rate of incentives
  - Same incentive rate for lighting and non-lighting projects (\$1,200/kW or \$0.13/kWh, whichever is higher)
  - \$1 million incentive cap for Retrofit projects has been removed  
Incentives will continue to be capped at 50% of project costs
- Midstream lighting program to be introduced in Q4



# Retrofit Program Update – Highlights

- Changes to networked lighting control incentives
  - Incentives now calculated on \$/kWh (moving away from \$/sq. ft.)
  - An incentive offering for networked lighting controls — from \$0.15/sq. ft. to \$0.35/kWh
- Retrofit for greenhouses will include:
  - Current suite of horticultural lighting measures (available in Retrofit)
  - New advanced lighting control incentive for greenhouses — incentive rate set at \$0.35/kWh

# Retrofit Program – Regional Adders

- In certain areas of Ontario where electricity constraints exist, the IESO is introducing Retrofit regional adders, to further encourage uptake in the Retrofit program.
- Beginning April 3, 2023, all non-lighting measures will be eligible for double the incentive for a period of six months, in specific targeted areas.

# Retrofit Program – Regional Adders

- To be eligible for Regional Adders, facilities undertaking the retrofit must be located in the target areas:
  - **Niagara region:** L0S, L2A, L2E, L2G, L2H, L2J, L2M, L2N, L2P, L2R, L2S, L2T, L2V, L2W, L3B, L3C, L3K, L3M, N1A and portions of L0R
  - **Kingston area:** K7K, K7L, K7M, K7N, K7P, K7G
  - **Southern Huron Perth:** N0L, NOM, N4X, N0K
  - **Pembroke area:** K8A, K8B, K8H
  - **Kenora:** P9N, P0X
- Additional target areas will be identified for Retrofit regional adders in the second half of 2023.

# Retrofit Program – How to Apply

- To participate, your project must be pre-approved with a minimum incentive of \$500
- Visit [SaveOnEnergy.ca/Retrofit](https://SaveOnEnergy.ca/Retrofit) to learn more about incentives and project eligibility rules
- Please refer to participant agreement and program requirements for further details
- For help with your application support, visit [SaveOnEnergy.ca/Retrofit](https://SaveOnEnergy.ca/Retrofit) or contact a Save on Energy representative

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# Suggest a New Measure for the Retrofit Program

- Download and complete the form to submit a recommendation for a new measure to be added to the Save on Energy Retrofit Program
- Complete the form with the best available information. This information is required to determine the energy-savings opportunity should this measure be added to the program, and to help to determine an appropriate prescriptive incentive amount
- The status of submitted measures is updated monthly on the Save on Energy new prescriptive measure submissions page

## Measure submission form

- <https://saveonenergy.ca/en/For-Business-and-Industry/Programs-and-Incentives/Retrofit-Program/Submitting-new-program-measures>
- Submit to [retrofit@ieso.ca](mailto:retrofit@ieso.ca)

# Retrofit Program – Resources

## Key Documents and Guides

- Visit [SaveOnEnergy.ca](https://saveonenergy.ca) to download the user guide, worksheets and find key program documents:

<https://saveonenergy.ca/Retrofit>

- Retrofit portal resources and how to videos are also available at:

<https://saveonenergy.ca/Retrofit-resources>



**Find answers to the most commonly asked Retrofit questions**

<https://saveonenergy.ca/For-Business-and-Industry/Programs-and-Incentives/Retrofit-Program/FAQs>

# Energy Performance Program

- Holistic approach to energy savings: operational + behaviour + capital
- Savings determined by comparing annual metered consumption to the baseline energy model
- Incentive of \$0.04/kWh paid each year for three years + \$50/kW adder for summer peak demand savings (June - August, weekdays)
- Facilities need to save at least 5% energy savings (check in after year 2)



# Energy Performance Program – Highlights

- 1,500,000 kWh minimum; can aggregate up to five buildings into a single facility baseline energy model
- Data normalized for weather and significant building operations, e.g., occupancy, production
- Anything that leads to sustained electricity consumption is eligible (BMG ineligible)
- COVID-19 Guidance Document – NRA, baseline development
- Approval by December 31, 2024 for a three-year contract



# Industrial Energy Efficiency Program

- Project launched April 2022
- Large industrial customers connected to the IESO-controlled grid or a distribution system.
- Third-party participants installing, operating industrial projects at large industrial customer facilities.
- Offers financial incentives to large, complex industrial projects for process upgrades and system optimization measures.



# Industrial Energy Efficiency Program

- IEEP offers overall funding of nearly \$80 million to qualifying industrial participants over two **competitive** rounds of funding to be initiated in 2022 and 2023
  - Highest-ranked applications to be eligible for funding
- **Round 1** offers participants up to \$5 million per project in incentives
  - Applications must be received by Sept. 30, 2022
- **Round 2** opens for October 2022
  - Incentives to be awarded in late 2023

# Existing Building Commissioning (EBCx)

- Designed to build capability for energy management organizations by training building owners/managers to enhance their facility management practices
- Also provides incentives to building owners to undertake recommissioning services; provides pay-for-performance incentives for savings achieved
- Scheduled for launch in early 2023



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# Strategic Energy Management (SEM)

The Strategic Energy Management model will provide an enhanced technical support and resources to companies with dedicated Energy Managers in the team

- Starting in 2023, SEM will offer organizations greater flexibility and empower them to achieve additional cost savings through increased training opportunities, and access to industry tools and resources to support their energy-efficiency projects.



# Existing Building Commissioning

## Three Phases:

- **Investigation Phase:** Investigation Report: incentive up to \$0.06/sq. ft., capped at \$50,000
- **Implementation Phase:** Incentive of \$0.03/kWh of Claimed Savings
- **Persistence Phase:** At the end of 12 months, incentive of \$0.03/kWh of confirmed savings

# Training and Support

Receive IESO incentives for up to 50% of training and certification fees for 10 courses, including:

- End Use Training: Compressed Air Challenge, Pump System Optimization, HVAC Optimization for High Performance Sustainable Buildings
- Certified Measurement & Verification Professional<sup>®</sup> (CMVP)



To register, visit <https://saveonenergy.ca/For-Business-and-Industry/Training-and-support>



# Training and Support – Enbridge Customers

The IESO and Enbridge offer incentives that cover up to 75% of training, certification fees for three courses:

## Dollars to \$ense Workshops

- up to \$500 a day for 3 days

## Building Operator Certification® (BOC)

- up to \$2,350 of course fees

## Certified Energy Manager® (CEM)

- up to \$2,500 of course fees



To register, visit <https://saveonenergy.ca/For-Business-and-Industry/Training-and-support>

# Training and Financial Support – Custom Training

Don't see what you need?

Apply for IESO incentives for up to 50% for custom training initiatives for your business or clients such as:

- case studies
- training videos
- workshops
- customized courses



To register, visit <https://saveonenergy.ca/en/For-Business-and-Industry/Training-and-support/Custom-training-funding>

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# Thank you



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