




Energy Performance Program (EPP)


Enerva Energy Solutions – IESO Service Provider



Save on Energy – 2025 and beyond

The IESO received a ministerial letter on February 9, 2024 that asked the IESO to report back on options and analysis for a post-2024 framework and programs, with the following areas of priority.

- A more enduring funding framework that potentially looks beyond a four-year timeframe to provide sustained market confidence
- Expanded program offerings that reflect consumer and electricity system needs
- Objectives and targets for beneficial electrification programs, consumer education and capacity building



Save on Energy – 2025 and beyond

- Feasibility and design options for demand flexibility (reducing, increasing or time shifting customer load) and distributed energy resources (DER) programs
- Enhanced involvement of local distribution companies (LDCs) to help meet customer and electricity grid needs
- Additional programs for income-eligible residential customers and Indigenous communities
- Improving the participant experience through enhanced electricity and natural gas energy-efficiency program coordination

IESO Program Offerings under 2021-2024 CDM Framework

Instant Discounts Program

Existing Building Commissioning Program

Energy Performance Program

This Pay-for-Performance Program rewards businesses for continuous energy improvement

Strategic Energy Management Program

Retrofit Program

Industrial Energy Efficiency Program

Local Incentives



Why Pay for Performance?

The Pay for Performance concept promotes operational and behavioural changes to achieve energy efficiency, alongside capital investment projects

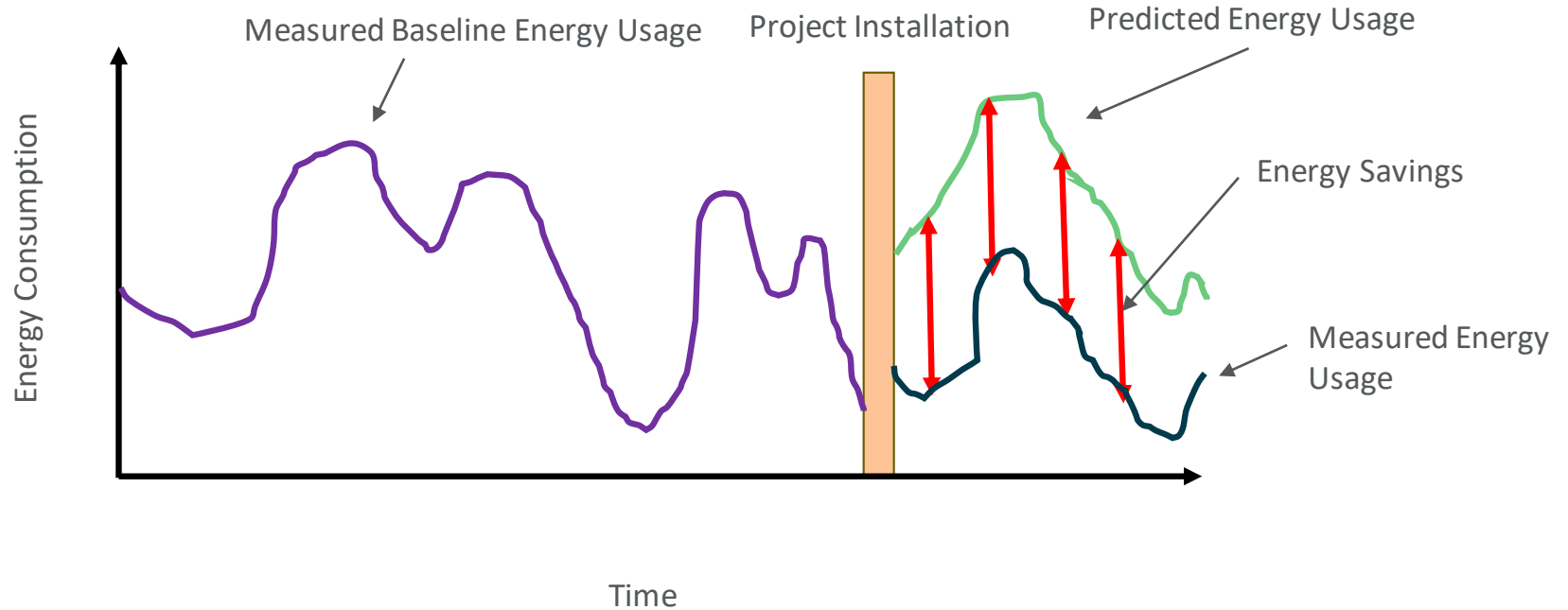
1. This approach encourages a comprehensive and ultimately more efficient energy-saving options due to considering the performance of the entire building.
2. The Energy Performance Program streamlines the application process for applicants by enabling them to directly apply via EPP Portal for facilities throughout the province.

Energy Performance Program (EPP)

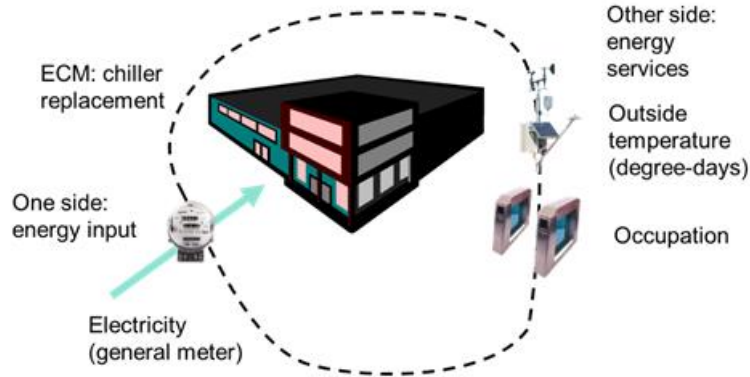
- Holistic approach to energy savings: operational + behaviour + capital
- Savings determined by comparing annual metered consumption to baseline energy model
- Data normalized for weather and significant building operations, e.g., occupancy, production, COVID-19
- New tiered incentive rates: \$0.15/kWh on-peak, \$0.04/kWh off-peak
- Upfront incentive payment



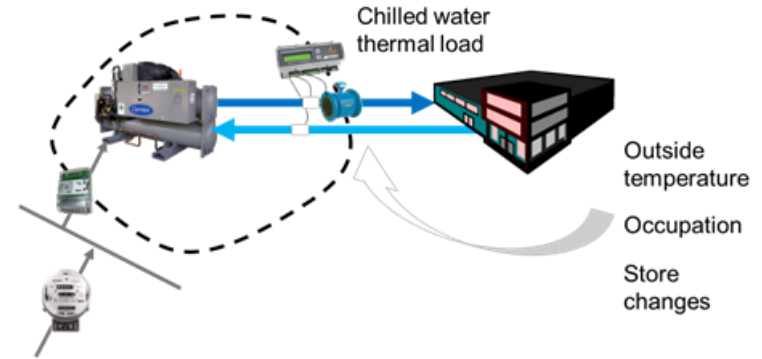
How to Verify Energy Savings?



An Energy Conservation Measure (ECM) Example



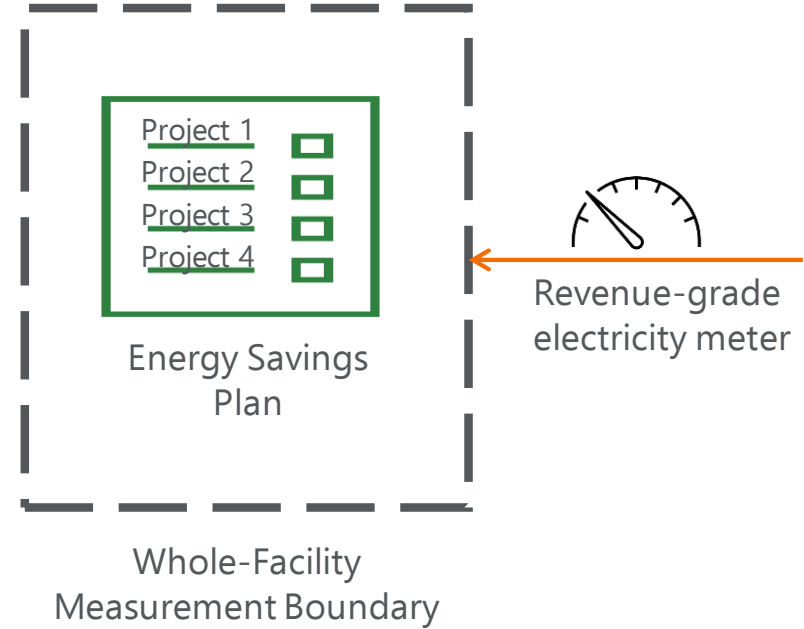
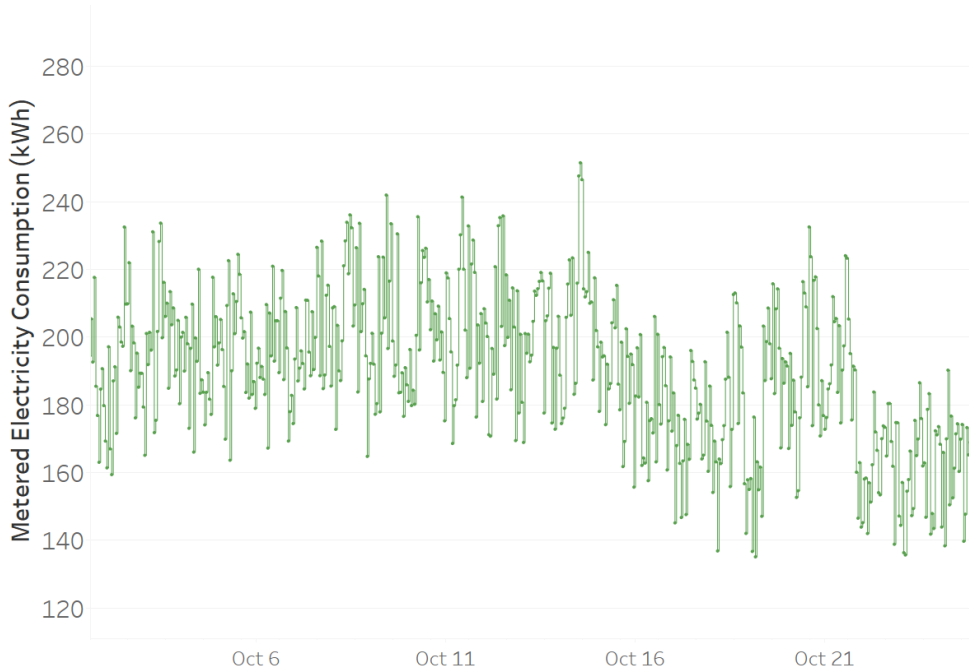
Whole-Facility Approach



Retrofit Isolation Approach

[Establishing Measurement Boundaries in M&V Projects - \(Part I\), published on evo-world.org](https://www.evo-world.org)

Whole-Facility Approach



Energy Performance Program (EPP)



Get rewarded for continuous energy improvements

Who can participate in EPP?

1

Owners and/or operators of commercial, institutional, industrial and multi-residential facilities

2

Located in Ontario that is a general service account > 50 kW

Who can participate in EPP?

3

Commit to participate for three years and commit to realize a minimum of five percent energy savings per facility within two years

4

Have 12 months of hourly interval meter data for each facility

Eligible Energy Savings Initiatives in EPP

Eligible Projects

- Capital projects
- Operational improvements

Not eligible:

- Behind-the-meter generation
- Fuel-switching
- Projects that have received incentive from other IESO program

Program Enhancements

Expanded Eligibility

- ❑ Participating facilities no longer required to have a minimum annual consumption of 1,500 MWh.
- ❑ Smaller facilities do not need to aggregate anymore

New Incentive Structure

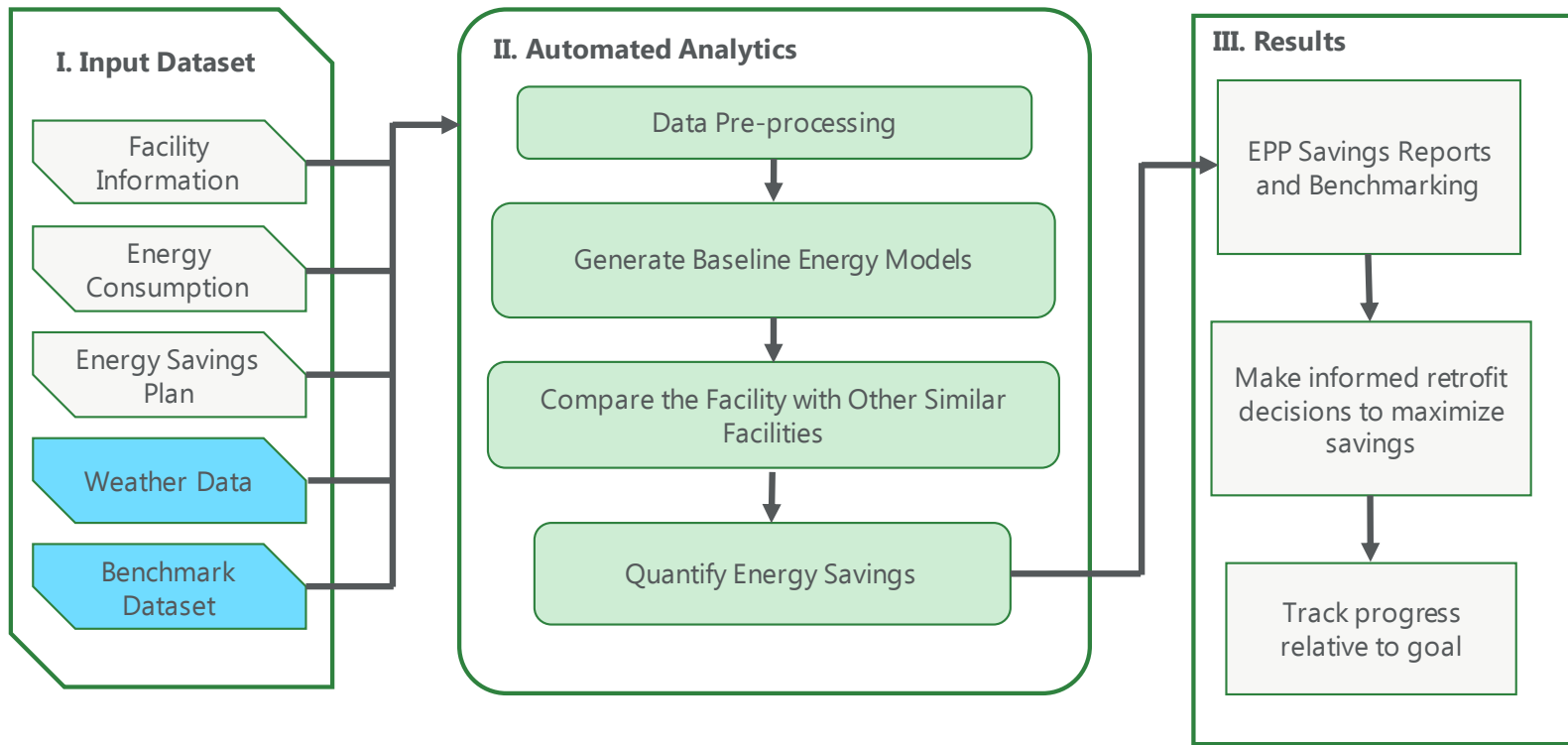
- ❑ \$0.15/kWh during on-peak hour* savings
- ❑ \$0.04/kWh during off-peak hour energy savings

*business days between June 1 and Aug 31 (inclusive), during the hours of 1pm and 7pm EDT

New Portal

- ❑ Application to be submitted via a portal.
- ❑ Online tools will do the baseline energy modeling and reporting for you.
- ❑ Benchmarking and data analytics tools for progress monitoring

EPP Portal Workflow





EPP Portal Demonstration

Please click the link below to take you to the EPP Portal demonstration on YouTube

<https://youtu.be/dCIf8MrEOXU>

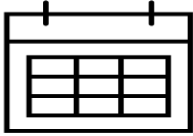
Things you will need to sign up for EPP

Recap from Demo

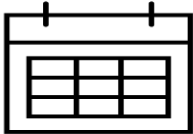
- Executed Participant Agreement - Available on the Save on Energy EPP webpage and the Portal
- Basic information about the facility
- At least 12 months of contiguous hourly electricity consumption data from a revenue-grade meter
- A copy of the most recent facility electric utility bill

We take care of the rest!

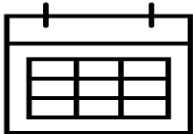
EPP Program - Important Dates



Get approval by Dec 31, 2024



Each Facility has 3 annual pay-for-performance periods



Program ends: **Dec 31, 2027**

Are you an existing Save on Energy Program Participant?

- If there is a Retrofit Program project at the Facility that has not yet reached post-project submission, you may still be eligible to enroll the Facility in the Energy Performance Program.
- If you have purchased lighting through the [Instant Discounts Program](#), let us know and we will adjust the baseline accordingly.



Should I pursue the Retrofit Program or EPP to support energy efficiency within my Facility?

- The Retrofit Program provides incentives on a per-measure basis to support specific energy-efficiency capital projects and initiatives.
- The EPP provides incentives on a facility level and measure-agnostic basis. In EPP, i.e., savings are assessed based on overall reduction to facility energy use resulting from equipment upgrades, operation and maintenance (O&M) improvements and/or behavioural initiatives.

<https://saveonenergy.ca/-/media/Files/SaveOnEnergy/Industry/Retrofit-EPP-Comparison-Guide.pdf>



How long does it take to receive approval to participate in the Energy Performance Program?

With the new EPP Portal, the application process and technical review can be completed in as little as a week.

Note that this does not include time associated with information requests or discussions between the applicant and the technical reviewer that may be necessary for an approved baseline energy model to be generated.



Is a new baseline model generated after each of the pay-for-performance periods?

No, the EPP Portal generates a baseline energy model that remains valid for all pay-for-performance periods. However, if there's an unforeseen change at the facility such as an expansion or a significant change in occupancy, this could trigger a non-routine adjustment. We will work with you to address these non-routine adjustments based on the information on the non-routine events provided through the Portal.



Is replacement of gas-fired equipment with electric equipment eligible under EPP?

We recognize that many organizations are reducing fossil fuels in an effort to meet GHG reduction goals. In order to not penalize participants for the resulting increase in electricity consumption, the IESO is allowing participants to make a non-routine adjustment to their approved baseline model in accordance with EPP M&V procedures.



I'm planning on installing solar panels at my facility to offset my consumption. Is this eligible under EPP?

Savings associated with the installation of solar panels are not eligible to received incentives under EPP as solar panels (or other electricity-generation equipment) are not considered an energy-efficiency measure; however, use of this equipment would not make the facility ineligible to participate.

How does the upfront pre-project incentive work?

Once a participant's application is approved, the participant will receive an optional one-time advance of part of the anticipated performance incentive for each approved facility, calculated as follows:

Baseline Energy Consumption * 2.5% * \$0.04/kWh

Please note that the upfront pre-project incentive is not mandatory. You can choose not to take it.

Additional Resources

- ❑ Energy Performance Program Website
 - ✓ EPP Participant Agreement
 - ✓ EPP Program Requirements
 - ✓ EPP Technical Guide
 - ✓ EPP User Guide
 - ✓ Frequently Asked Questions

Whom do I contact if I have any questions or to sign-up?

- ❑ E-mail us at info@energyperformanceprogram.ca
- ❑ Call us at 1-888-852-2440 (Mon to Fri: 9 AM to 5 PM EST)
- ❑ Visit [EPP website](#)
- ❑ Contact our Technical Service Advisors
 - ❑ Industrial and Multi-residential facilities – Alejandro Castellon (alejandro.castellon@energyperformanceprogram.ca)
 - ❑ Commercial and Institutional facilities – Shivansh Singh (shivansh.singh@energyperformanceprogram.ca)