PEAK PERFORMANCE PROGRAM
PROGRAM REQUIREMENTS

1. INTRODUCTION

1.1 PURPOSE

The Save on Energy Peak Performance Program (the "Program") is designed to acquire demand-side resources to enhance grid flexibility. The Program is designed to support Ontario's electricity system reliability by curtailing predominantly HVAC (Heating, Ventilation, and Air Conditioning) loads in commercial and institutional facilities during peak demand periods. These Program Requirements provide an introduction to the Program, its operational framework, and the specific steps required for participation.

The Program Requirements outline the eligibility criteria, enrollment process, Event activation protocols, performance measurement methodologies, and settlement procedures applicable to Participants and Contributors. It also details the roles and responsibilities of the Program Delivery Agent, Participants, and Contributors, ensuring transparency and consistency for the Program.

The Program encompasses the following key aspects:

- Participant application and Contributor enrollment
- Submission and verification of Participant Capacity and Contributor Capacity
- Activation and coordination of Events
- Measurement and validation of Peak Demand Savings
- Settlement of Participant Incentives based on performance

In support of these aspects, this document defines the conditions, actions, and timelines specific to the Program.

1.2 WHO SHOULD USE THIS DOCUMENT

This document is intended for all parties involved in the delivery and participation of the Program. This includes:

- **Program Delivery Agent** responsible for overseeing Program implementation, managing participant enrollment, communicating Events, verifying performance and incentive calculations, and determining and approving Participant Incentives in accordance with the Program Requirements.

- **Participants** seeking to enroll in the Program, register eligible Contributors, coordinate Event participation, and submit performance data for performance and settlement purposes.

- **Contributors (End-Use Facilities)** participate in the Program through a Participant, providing load Curtailment during Events, and supporting data collection and verification processes. A Contributor may enroll as a Participant provided that they meet the eligibility criteria for the Participants.

- **Local Distribution Companies (LDCs)** support coordination and visibility of enrolled Contributors within their service territories and facilitate access to metering data.

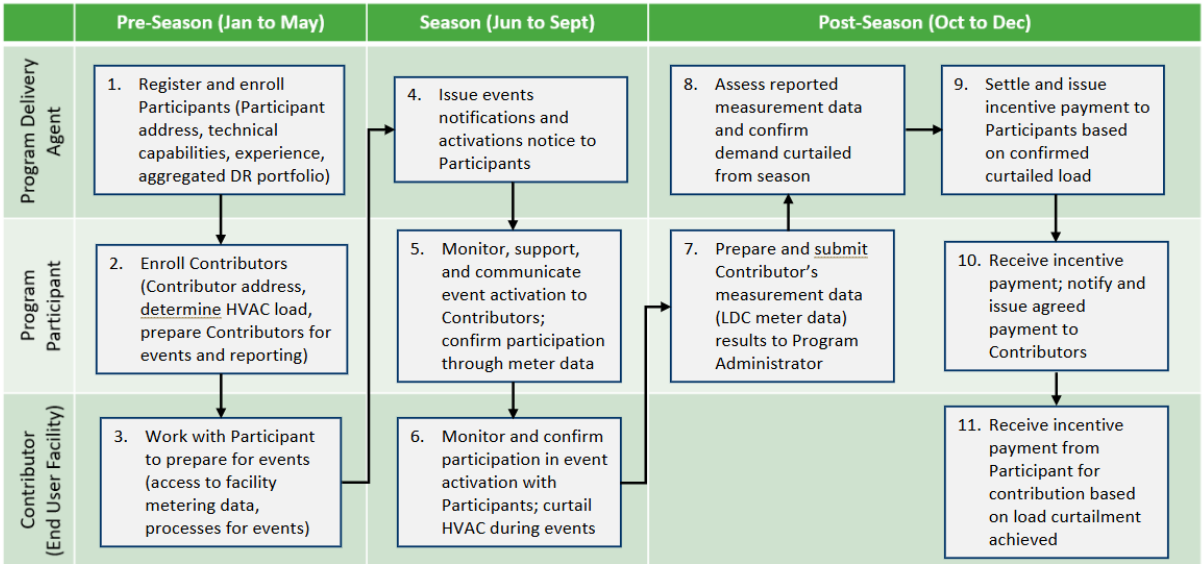
All Participants are subject to the provisions outlined in these Program Requirements for the duration of their enrollment and participation. These provisions include eligibility requirements, enrollment procedures, Event participation protocols, performance measurement, and settlement processes. Participants must ensure compliance with the most current version of this document, as published by the IESO on the Save on Energy website.

Participation in the Program is subject to review, approval, and ongoing eligibility verification by the IESO and its Program Delivery Agent, in accordance with the Program Requirements. The IESO retains the right, in its sole discretion, to reject an application for participation and to suspend, remove, or require corrective action from any Participant or Contributor at any time during the duration of their enrollment, for any reason related to Program administration, eligibility, or compliance with the Program Requirements.

2. PROGRAM OVERVIEW

2.1 PROCESS OVERVIEW

The Program is designed to acquire HVAC-focused demand response capacity from commercial and institutional facilities across Ontario during the summer season. The Program operates on a seasonal cycle divided into three distinct phases: Pre-Season, Event Season, and Post-Season. Each phase includes specific activities and responsibilities for the Program Delivery Agent, Participants, and Contributors.



2.1.1 PRE-SEASON (JANUARY 1ST – MAY 30TH)

This phase focuses on Program setup, Participant onboarding, and readiness assessment:

- Participant Registration: Apply to become a Participant by submitting technical qualifications and aggregated Demand Response (DR) portfolios. For DR capacity submissions, Contributors and Participants must reference the nameplate capacity of weather-sensitive HVAC systems. Refer to Section 3.1 and Appendix B for more information.
- Contributor Enrollment: Contributors' facilities are enrolled by Participants, with HVAC and non-HVAC system details, metering capabilities, and historical interval data submitted.
- Readiness Assessment: The Program Delivery Agent evaluates the Curtailment potential, control capabilities, and metering readiness.
- System Integration: Participants and Contributors prepare for Event participation, including access to metering data and automation systems where applicable.

2.1.2 EVENT SEASON (JUNE 1ST – SEPTEMBER 30TH)

This is the active operational phase where Events are executed, and performance is monitored.

- Event Notification: Participants receive day-ahead standby notices and same-day activation notices by 12:00 p.m. ET.

- Event Activation: Events occur on business days (Monday to Friday, excluding statutory holidays in Ontario), typically between 3:00 p.m. and 7:00 p.m. ET, lasting up to 3 hours. The IESO retains the ability to call Events outside of this standard window if system conditions warrant it.
- Curtailment: Contributors reduce loads for Eligible Measures during Events, coordinated by Participants.
- Performance Monitoring: LDC or sub-metering data is collected to assess the Curtailment against the baseline for each Event.

2.1.3 POST-SEASON (OCTOBER 1 – DECEMBER 31ST)

This phase focuses on performance validation, and settlement.

- Data Submission: Participants submit Event performance data, including LDC interval metering data and reporting documentation quantifying the demand reductions achieved during the Event Season Curtailment.
- Performance Validation: The Program Delivery Agent verifies demand response contributions using LDC revenue metering data.
- Settlement and Participant Incentives: Participant incentives are calculated based on the Peak Demand Savings achieved per Event Season and issued to Participants for distribution to Contributors.

2.2 KEY ROLES

2.2.1 PROGRAM DELIVERY AGENT

The Program Delivery Agent is responsible for the overall administration and execution of the Program. Their responsibilities include:

- **Program Oversight:** Ensuring the Program operates in alignment with IESO objectives and requirements.
- **Application Review:** Reviewing and approving applications from Participants seeking to participate in the Program.
- **Participant Registration & Enrollment:** Facilitating registration and enrollment of Participants that have been approved to participate in the Program.

- **Eligibility & Compliance Management:** Verifying that Participants and Contributors meet Program criteria and adhere to the Program Requirements.
- **Reporting Requirements:** Defining the data submission formats, timelines, and performance metrics.
- **Communication:** Serving as the central point of contact for Participants and stakeholders, including communicating Event notifications.
- **Data Management & Verification:** Collecting, validating, and analyzing metering data to confirm Curtailment and Peak Demand Savings Curtailment.
- **Event Coordination:** Managing the notification of Events and ensuring execution.
- **Settlement & Incentive Payments:** Calculating and approving Participant Incentives.

2.2.2 PARTICIPANTS

Play a central role in aligning activities of the Program Delivery Agent and Contributors. Their responsibilities include:

- **Program Registration:** Applying to participate and submitting aggregated HVAC and non-HVAC DR portfolios.
- **Contributor Management:** Identifying, enrolling and supporting eligible Contributors to participate in the Program. Enrollment of Contributors is subject to review and approval by the IESO and its Program Delivery Agent in accordance with the Program Requirements.
- **Event Coordination:** Managing communications and logistics with Contributors during Events.
- **Monitoring & Feedback:** Tracking performance and providing feedback to Contributors and the Program Delivery Agent.
- **Data Reporting:** Submitting performance data, including metering and baseline information for the Event Season and Post-Season.
- **Contributor Support:** Coaching Contributors on readiness, metering, and Curtailment strategies.

2.2.3 CONTRIBUTORS (END-USE FACILITIES)

These are commercial buildings and institutions that predominantly provide HVAC load Curtailment during Events. Their responsibilities include:

- **Participation:** Enrolling and participating in the Program through a Participant. Enrollment of Contributors is subject to review and approval by the IESO and its Program Delivery Agent in accordance with the Program Requirements. Contributors may apply to be a Participant and enroll their Facilities as Contributors, provided that they meet the eligibility requirements for Participants outlined in Sections 2.3.1, 2.3.2 and 3.1.

- **Event Participation:** Curtailing loads for Eligible Measures during scheduled Events

- **Performance Monitoring:** Tracking HVAC and non-HVAC system response and ensuring operational readiness.

- **Meter Data Facilitation:** Providing access to interval data via LDC meters and sub-metering systems.

- **Load Contribution Assessment:** Collaborating with Participants to determine Contributor Capacity, and potential and actual Curtailment and Peak Demand Savings for their Facility.

2.3 PROGRAM ELIGIBILITY CRITERIA

2.3.1 PARTICIPANT ELIGIBILITY

A Participant must:

a) Be a legally registered business operating within the Province of Ontario;

b) Demonstrate the ability to aggregate a minimum of 500 kW of DR load capacity for Eligible Measures across their Contributors (“Participant Capacity”). The Participant may also include any Facilities that they own, lease and/or operate as part of the Participant Capacity;

c) Have experience in DR or energy management, with the technical capability to coordinate Curtailment across all Contributor Facilities;

d) Possess infrastructure to:

   i. Monitor and verify HVAC and non-HVAC Curtailment;

ii. Collect and transmit near real-time or post-Event metering or sub-metering data; and

iii. Communicate effectively with Contributors during Events;

e) Submit a portfolio of Contributors with documented HVAC and non-HVAC systems and Curtailment potential; and

f) Ensure compliance with Program Requirements, including data reporting, Event participation, and Contributor support.

2.3.2 CONTRIBUTOR (END-USE FACILITY) ELIGIBILITY

A Contributor must:

g) Be enrolled by a Participant, provided the Contributor may be a Participant where they are able to meet the requirements detailed in Sections 2.3.1, 2.3.2 and application requirements in Section 3.1;

h) Be located within Ontario and connected to either the IESO-Controlled Grid or a Local Distribution System, with the exception of Cornwall Electric;

i) Be classified as a non-residential customer (e.g., commercial, institutional, municipal);

j) Be a single Facility that is represented by a unique street address;

k) Not be a participant in the Industrial Conservation Initiative (i.e. Contributors must be classified as Class B);

l) Have Eligible Measures in their Facility capable of Curtailment during Events, either through:

i. Building Automation Systems (BAS);

ii. Energy Management Systems (EMS); and/or

iii. Manual control procedures.

m) Provide access to interval metering data via:

i. LDC meters, and;

ii. Sub-metering systems.

n) Not hold a Capacity Obligation[1] with the IESO Capacity Auction, nor be part of a Capacity Market Participant[2] portfolio as a Demand Response Contributor[3], for the same summer season as the Event Season.

o) Not receive duplicate financial incentives funded by a Governmental Authority, whether administered by the IESO, a local electricity or gas distributor or any other party for the same HVAC and non-HVAC Curtailment.

p) Comply with Event notifications and performance protocols.

2.3.4 ELIGIBLE MEASURES

Focus on HVAC Measures

The Program is designed to target Curtailment of non-residential HVAC loads, which represent a significant portion of peak electricity demand during the summer months. As such, at least 75% of the total proposed Contributor Capacity from each Facility must originate from HVAC-related measures, which may include:

- Central air conditioning systems;
- Rooftop units (RTUs);
- Chillers and cooling towers;
- Variable air volume (VAV) systems;
- Smart thermostats and zone-level temperature control;
- Demand-controlled ventilation (DCV);
- Heat pumps; and
- Other commercial systems and technologies used to regulate indoor temperature.

Allowable Non-HVAC Measures

The Program allows up to 25% of the total estimated Contributor Capacity to come from non-HVAC measures, provided they are:

- Lighting controls (e.g., dimming, zone shut-off);
- Process load Curtailment (e.g., refrigeration, pumps, motors);
- Battery storage discharge coordination if used to offset HVAC load; and/or
- Curtailment of non-critical building systems (e.g., escalators, decorative lighting).

Fossil fuel generators are not an Eligible Measure and cannot contribute to the Curtailment.

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1 IESO Market Rules, Chapter 11: Definitions
2 IESO Market Rules, Chapter 11: Definitions
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2.4 PARTICIPANT INCENTIVES

Subject to the Program Requirements being met, the Program offers the following Participant Incentives:

(a) Performance Incentives
(b) Enabling Incentives

Participants are responsible for determining and distributing Participant Incentives to their Contributors.

2.4.1 PERFORMANCE INCENTIVE

Participants will receive a standard capacity payment based on the Peak Demand Savings achieved during the Event Season and Performance Incentive Rate (**"Performance Incentive"**):

Performance Incentive = (Performance Incentive Rate) × (Peak Demand Savings)

The Performance Incentive Rate is the $/MW-season rate informed by the IESO's Capacity Auction clearing price that applies for that time period[4].

2.4.2 ENABLING INCENTIVE

Participants are eligible to receive a one-time incentive for each of their Contributors who require equipment or services to participate, calculated at $20/kW ($20,000/MW) for the Peak Demand Savings achieved by that Contributor ("**Enabling Incentive**"). For certainty, Participants are not eligible for an Enabling Incentive for their Contributor, if their Contributor previously received an Enabling Incentive.

As part of their Settlement Report, Participants must identify the Contributor(s) that are applying for an Enabling Incentive and submit the following documentation for each Contributor:

a) Proof of installation or upgrade of metering, monitoring, or control systems (e.g., BAS, EMS, sub-metering equipment) for the Contributor's Facility before October 1 of the year the Contributor is enrolled in the Program and the same year the Participant applies for an Enabling Incentive for that Contributor; and
b) Invoices or receipts for hardware, software, or services directly related to enabling HVAC load Curtailment for the Contributor's Facility dated before October 1 of the year the

[4] For example, the 2025 Capacity Auction was held from Wednesday, November 26 to Thursday, November 27, 2025, for the summer 2026 obligation period. The Post-Auction report highlighting the clearing price was published on Dec 4, 2025.

Contributor is enrolled in the Program and the same year the Participant applies for an Enabling Incentive for that Contributor; and

c) Commissioning reports or system integration documentation showing operational readiness for the Contributor's Facility dated before October 1 of the year the Contributor is enrolled in the Program and the same year the Participant applies for an Enabling Incentive for that Contributor; and

d) Declaration forms confirming that the Contributor did not previously receive an Enabling Incentive; and

e) Calculation and applicable supporting documentation to calculate the Enabling Incentive for the Contributor.

2.5 EVENT PARAMETERS

2.5.1 SEASONAL AVAILABILITY

Events will be scheduled during the summer season, defined as:

- Start Date: June 1, 2026
- End Date: September 30, 2026
- Eligible Days: Business days only (Monday to Friday, excluding statutory holidays in Ontario)

2.5.2 EVENT FREQUENCY AND DURATION

- The Program anticipates up to 12 Events per Event Season. Additional Events may be called at the IESO's sole discretion.
- Each Event will have a maximum duration of up to 3 hours.
- Events will occur within a 4-hour operational window, typically between 3:00 p.m. and 7:00 p.m. ET. The IESO retains the ability to call Events outside of this standard window if system conditions warrant it.

2.5.3 NOTIFICATION PROTOCOL

- Standby Notice: Issued by the Program Delivery Agent one day prior to a potential Event day no later than 12:00 p.m. ET.
- Activation Notice: Sent no later than 12:00 p.m. ET on the day of the Event.
- Notifications will be sent to the Participant by the Program Delivery Agent, who are responsible for communicating with Contributors.

2.5.4 EVENT TRIGGERS

Events may be triggered based on:

- System-level peak demand forecasts
- Electricity market signals

- Grid reliability needs
- Local distribution constraints

2.6 COORDINATION WITH LDCS

Effective coordination with the Local Distribution Companies (LDCs) is essential to ensure the reliability and operational integrity of the electricity distribution system during Events. The provisions detailed in Section 2.6.1 apply.

2.6.1 CONTRIBUTOR VISIBILITY:

The Program will maintain and share a registry of Contributors with LDCs that register with the Program Delivery Agent to receive this information. This information will be used by LDCs for system planning and operational awareness, including:

a) Facility names and addresses
b) LDC account number
c) Contributor Capacity
d) Event participation status
e) Event notification and activation timelines communicated by the Program Delivery Agent

2.7 TARGET CAPACITY

2.7.1 PROGRAM CAPACITY OBJECTIVES

The Program has the following Demand Response Targets:

2026 Peak Demand Savings Target: 100 MW
2027 Peak Demand Savings Target: 230 MW

These targets reflect the anticipated contribution from commercial and institutional facilities across Ontario. The Demand Response Targets may be adjusted based on system needs, market conditions, and Program participation.

2.7.2 MINIMUM DR LOAD REQUIREMENT

The Program encourages Participants to grow and diversify their Contributor portfolios over time to enhance Program impact and system value. While the preferred minimum Participant Capacity is 500 kW, the Program supports a flexible and scalable approach to enrollment.

For Program Year (PY) 2026, Participants may enter the Program with a portfolio below 500 kW of Participant Capacity which may span multiple Facilities and electrical zones, provided all Contributors meet the Program Requirements.

Participants are required to demonstrate a plan for scaling their Contributor portfolio, including outreach to additional Contributors and leveraging existing customer relationships to meet the 500 kW minimum Participant Capacity in PY2026 or for the start of PY2027.

2.8 ZONAL LIMITS

Ontario is divided into 10 electrical zones. Zonal limits are applied to ensure capacity is distributed in a way that supports both local and system-wide reliability. The Program will consider the following application of zonal constraints for Participant and Contributor enrollments

- Participants must identify the zonal location of each Contributor during enrollment.
- The Program Delivery Agent will monitor zonal capacity contributions and may adjust enrollment approvals to respect zonal limits.
- Virtual zonal limits for the Program will be in respect of the Virtual Zonal Capacity Maximum (MW) as published in the IESO Capacity Auction Pre-Auction report, and also the related Capacity Auction results.

2.9 PERFORMANCE PARAMETERS

The performance of Participants and their Contributors will be evaluated based on their ability to achieve Peak Demand Savings during the Event Season, expressed in kilowatts (kW) (up to 3 decimal places). For each Event, the Participant performance must be calculated as the sum of all Contributor performances for that same Event. Contributor performance for each Event is determined as per the Baseline Methodology described below.

2.9.1 BASELINE METHODOLOGY

The Program will adopt:

- A baseline calculation with a weather-dependent methodology. The baseline calculation includes selection of representative baseline days by identifying the four days with maximum daily temperature closest to the Event-day selected from a window of up to 45 days before and 30 days after the Event (capped at September 30). An unadjusted baseline is computed by averaging the hourly load across the selected representative baseline days. A same-day adjustment (using a two-hour pre-event window with a two-hour buffer, subject to adjustment caps (constrained to a minimum of 0.71 and a maximum of 1.40), to align the baseline with Event-day conditions) will also be applied to each hour during the event to determine the adjusted baseline. The same day-adjustment factor is calculated as the ratio of event-day load to baseline load from a defined period prior to the Event. The difference between the Event-day load and adjusted baseline over each hourly constitutes the hourly peak demand savings. An average of the savings across all event hours is the peak demand reduction for the event. The procedure for baseline calculations and an example are described in Appendix C.

- It is recognized that some data gaps are inevitable. During the Event, hourly data can be estimated (gaps filled, using a transparent/reasonable approach) for a given dataset. Please refer to Appendix A for illustrative examples of gap filling techniques. It is generally expected that less than 1% of data will need to be gap filled. The Program Delivery Agent will have the discretion to de-rate calculated savings if more than 1% of data is estimated.

3.0 PRE-SEASON REQUIREMENTS

3.1 PARTICIPANT APPLICATION

The Program Delivery Agent will manage the application approval of Participants on behalf of the IESO. Participants must complete the following as part of their application for each year that they are interested in participating in the Program:

- Sign a Participant Agreement
- Provide all required information as described in Section 3.3
- Initiate and complete all registration requirements in the Program portal

The Participant Capacity should reflect the average amount that can be provided through any Event. The Participant will be required to provide the Contributor Capacity and nameplate information for Eligible Measures for each of their Contributors including but not limited to: Manufacturer, model number, serial number, motor horsepower, rated load amp and nominal voltage, where Contributor Capacity and capacity for an Eligible Measure is expressed in kW. No testing to verify the Participant or Contributor Capacity and/or load types (i.e., HVAC, non-HVAC) will be performed in the Pre-Season.

3.2 PARTICIPANT APPLICATION PERIOD

Applicants are encouraged to apply and be ready to participate in the Program prior to the start of the Event Season (June 1 annually). Applicants can apply and be approved to participate after the start of the Event Season, if it is before the end of the Event Season (September 30 annually); however, each Event during the Event Season will contribute to the Performance Incentive payment calculation even if the Event occurs prior to the date that the Participant was approved into the Program (see Section 5.2.1.3).

The Applicant must apply by the 14th calendar day of the month before the Event Season (e.g., May 14, 2026 for 2026 Event Season) with all of the required information, meet the Program Requirements and timelines under Section 3.4 to be approved to participate for the start of the Event Season (June, annually). The Program Delivery Agent will process and respond to Applications no later than 5 business days after the Application submission date and inform the Applicant whether their Application has been approved, rejected, or requires additional information to be approved.

3.3 CONTRIBUTOR INFORMATION

Facilities may include multiple IESO revenue and non-IESO revenue metered Non-Dispatchable Load(s); these loads must be from C&I Facilities. More information on the Contributor management process is detailed in Section 3.4.

Contributor Registration Requirements

The registration information must satisfy the following applicable requirements:

a) Contributor name and Facility address (street, city, province, postal code), Participant may use the zonal map tool located on the IESO Zonal Map page to confirm the electrical zone for the associated Contributor;
b) The licensed Local Distribution Company (LDC) name, and LDC account number indicated on the Contributor's LDC billing statement;
c) Contributor Facility type (i.e., industrial, commercial, and/or institutional);
d) For each Contributor, the proportion of DR that is expected to be provided via both HVAC and non-HVAC measures and processes (see Appendix A);
e) Contributor Capacity in kW;
f) A declaration of acknowledgement by the Participant that the applicable LDCs have been notified of the Contributors' participation in this Program; and
g) Contributor meter ID, and data acquisition method used to collect Contributor meter data.

3.4 ENROLLMENT AND MANAGEMENT OF CONTRIBUTORS

As part of the Contributor management registration process, the Participant must, where applicable, submit individual Contributor information, via the Program Portal, that will be associated with their demand response portfolio. Each Participant is responsible for maintaining its Contributor registry throughout the Event Season.

As part of the Contributor management process, any updates, revisions or amendments to Contributor information must be submitted using the Program Portal for review and approval, including when:

- a new Contributor is added;
- an existing Contributor is removed; or
- an existing Contributor's information is modified or amended.

Requests will be processed and responded to by the Program Delivery Agent, including notice of approval or rejection.

The Program Portal's interface allows Participants to generate monthly contributor reports that provides a summary of their Contributor participation information meter point IDs, Contributor type, and effective start/end dates), and corresponding Contributor Capacity submitted at registration.

The Participant must submit their Contributor information through the Program Portal or via the Program Delivery Agent within the following specified submission windows:

<u>Table 1</u>

Description	Due by
Initial registration of Contributors	The Participant must submit Contributor registration requests no later than the 14th calendar day of the month prior to the start of the Event Season, where the submitted Contributors are assumed to be ready to provide Demand Response for the start of the Event Season. For example, Participants must submit their Contributor registration requests by May 14, 2026, to be ready to provide response for those Contributors for the start of the Event Season (June 1, 2026). Participants may submit Contributor registration requests before the end of the Event Season (September 30, annually), subject to the requirements detailed in Section 3.2.
Contributor management	The Participant must submit Contributor management requests no later than the 14th calendar day of the month prior to the start date of the effective month, whereby the Participant will be required to submit on the next business day where 14th calendar day of the month falls on a weekend. Requests will be processed and responded to by the Program Delivery Agent, including notice of approval or rejection, at least four business days before the start of the effective month. For example, if a Participant wishes to include a Contributor for Events occurring on or after August 1, 2026, the Participant must submit the request by July 14, 2026[5]. The Program Delivery Agent

[5] "2026 Demand Response Contributor Management and Measurement Data Submission Timelines", found at https://www.ieso.ca/Sector-Participants/Calendars/Market-Calendars/2026-Calendars

Description	Due by
	will respond and provide a notice of approval or rejection by July 27, 2026.

Rejections and/or failure to submit appropriate registration information by specified deadlines will defer the effective date of the changes to the next effective month.

Participants must also retain their individual Contributor meter data and all relevant supporting information for each respective Contributor. The IESO may request such information to verify the accuracy of information disclosed by the Participant at the time of a Data Audit as detailed in Section 6.

4.0 EVENT SEASON REQUIREMENTS

4.1 NOTIFICATIONS AND EVENT MANAGEMENT

The Program Delivery Agent will issue an activation notice to Participants and inform registered LDCs of Events in accordance with Sections 2.5 and 2.6. Upon receiving notice from the Program Delivery Agent, Participants will be responsible for informing their Contributors of the start and end of the Events, such that they can successfully participate in the activation.

Participants are responsible for managing communications with their Contributors, and will be required to establish the following:

- Establish and maintain standardized communication protocols and processes to inform Contributors of Event notifications, which must include written communications at a minimum
- Train and support Contributors on the communication protocols and processes to participate in Events, including responding to and receiving Event notifications
- Establish and maintain relevant points of contact between the Participant and Contributor, including back-up contacts, as applicable for successful Event participation
- Support Contributors during the Event Season to respond to verbal and written inquiries and troubleshoot issues related to Event participation and adherence to the Program Requirements

4.2 PARTICIPATION CONFIRMATION

The Participant must collect the following Event participation details from their Contributors during each Event:

- Decision to participate in the Event
- Duration of the Contributor's participation for each Event

- Feedback from Contributors on the Event to identify participation successes, challenges, and opportunities to improve Contributor participation

4.3 EVENTS REPORTING

The Participant must provide each of their Contributors with a written summary of the Event containing the following no later than 5 business days after the Event:

- Event participation summary
    - Date of Event
    - Start and end of Event (hh:mm)
    - Status of Contributor's participation in Event (i.e., participated, did not participate)
    - Start and end time for Contributor's participation in the Event
    - Duration of Contributor's participation in Event
    - Estimated Curtailment for Event based on sub-metering data
- Season participation summary to date
    - Total number of Events called
    - Total number of Events Contributor successfully participated in
    - Average duration of Contributor's participation for participated Events
    - Estimated average Curtailment for Event Season based on sub-metering data
    - Estimated incentive for the Contributor for the Event Season based on sub-metering data

The Participant must report the following information to the Program Delivery Agent no later than 10 business days after the Event in a standardized format and template provided by the Program Delivery Agent, which may be updated from time-to-time. The Participant will be responsible for maintaining the information in Section 4.2 and 4.3, which may be requested by the Program Delivery Agent.

- The following aggregated data of the Participant's Contributors
    - Event participation summary
        - Event date
        - Start and end of Event (hh:mm)
        - Total count and percent of Contributors that participated and did not participate in Event
        - Average duration of participation by Contributors that participated in Event
        - Estimated total Curtailment for Event per electrical zone based on sub-metering data
        - Estimated Participant Incentive for Event(s)

    - Event Season participation summary to date
        - Total number of Events called since enrollment

- Total Contributors enrolled
- Contributor Capacity by total HVAC, and non-HVAC capacity of Contributors (kW)
- Total count and percent of Events that Contributors have participated in since enrollment
- Average duration of Contributors' participation for participated Events
- Estimated average Curtailment per Event based on sub-metering data
- Estimated average Curtailment per Event by electrical zone based on sub-metering data
- Estimated Peak Demand Savings Curtailment based on sub-metering data
- Estimated Peak Demand Savings Curtailment by electrical zone based on sub-metering data
- Estimated Participant Incentive based on sub-metering data

- Any feedback on participation experience, successes, challenges, and opportunities

5.0 POST-SEASON REQUIREMENTS

5.1 METERED DATA SUBMISSIONS

To ensure accurate verification of load Curtailment during Events, all Participants must submit LDC metered data by IESO electrical zone following each Event Season as part of their Settlement Report. This data will be used to determine the Peak Demand Savings and inform Participant Incentive payments. Participants must submit data for each Contributor, as well as submit aggregated Contributor data per requirements outlined below.

LDC revenue metered data must be submitted through the designated Program portal and must include:

- Data for all Event days during the Event Season
- Historical baseline data for comparison for each Event
- Participant (Contributor, if applicable) identification and facility metadata

Participants must retain all submitted data and supporting documentation for a minimum of seven (7) years for audit purposes.

5.1.1 FILE FORMAT

Measurement data must be submitted in CSV (Comma Separated Values) format and adhere to the following specifications:

Measurement data submitted by Participants through the Program Portal, must adhere to the following requirements:

- must not include any measurement error corrections;
- must not include any loss adjustments;
- must be provided in a CSV (comma separated values) file format containing fifteen-minute engineering unit values (without any gaps or overlaps).

The CSV data file shall adhere to the following format (separated by commas) corresponding to each column name, as illustrated below,

- Metered data (kWh) at 15-min interval
- Header Format: DATE, TIME,
- Data Format: YYYY/MM/DD, HH:MM, ###. ###, where:
    - Date: "YYYY/MM/DD", as in year/month/day
    - Time: "HH:MM", hour:minutes in Eastern Standard Time (EST),
    - Measurement data: Contributors' withdrawn energy in kWh up to three decimal places, in numeric value "###.###"

The CSV data file must contain 96 rows of data per day, with the end time for each interval reported. The first interval entry should read 00:15 and the last interval should read 24:00.

Contributors will have either a uni-directional meter (kWh received from grid) or a bi-directional meter (kWh received from and kWh injected to the grid). For uni-directional interval meters, the readings should be reported as is without adjustments. For bi-directional interval meters, a net of kWh received from the grid and kWh injected to the grid should be reported. In case the net value is 0 or lower than 0, a value of 0 should be reported.

5.1.2 SUBMISSION TIMELINE

- The Settlement Report must be submitted no later than the 6th business day before the end of the month after the Event Season ("**Settlement Submission Deadline**") (e.g., no later than October 23, 2026, for the 2026 Event Season, which ends September 30, 2026).

- The Program Delivery Agent will review the Settlement Report and notify Participants of any errors and required corrections by the 5th business day after the Settlement Submission Deadline (e.g., no later than October 30, 2026, for the 2026 Event Season).

- Participants will have until either of the following to correct and resubmit their Settlement Report:

- If not selected for a Data Audit, the 5th business day after the date that the Program Delivery Agent notifies the Participant of any errors in their Settlement Report (e.g., no later than November 6, 2026, for the 2026 Event Season); or

- If subject to a Data Audit, per Section 6.0, the 10th business day after the date the Program Delivery Agent notifies the Participant of any errors in their Settlement Report including providing any corrections or information required for the Data Audit (e.g., no later than November 13, 2026 for the 2026 Event Season).

- The Program Delivery Agent will complete their review of the Settlement Report following any required corrections and additional information provided by the Participant and notify the Participant of the approved Participant Incentive by the 10th business day after the Participant submits their updated Settlement Report (e.g., no later than November 27, 2026, for the 2026 Event Season).

5.1.3 GAPS/MISSING DATA

- Missing data shall be filled for the purpose of calculating the baseline. Refer to Appendix A for illustrative examples of acceptable gap filling techniques for gaps/missing data.
- In the case where a 15-min interval meter is non-functional for an extended period, it is the responsibility of the Participant or its representative to obtain utility interval metered data from the Local Distribution Company (LDC) to fill in the missing data gap.

5.2 SETTLEMENTS AND ISSUANCE OF INCENTIVES

Following the conclusion of the Event Season (June 1 to September 30), the Program Delivery Agent shall initiate the settlement process to determine the Participant Incentive. Settlements will be based on the Peak Demand Savings achieved by the Participant and their Contributors as measured and reported and verified through their Settlement Report, and where applicable, Data Audit.

5.2.1 SETTLEMENT PROCESS

The settlement process includes the following steps:

5.2.1.1 DATA VERIFICATION

The Program Delivery Agent will review the Settlement Report submitted by each Participant to verify the Peak Demand Savings and determine the Participant Incentive. Verification includes checking for completeness, accuracy, and consistency with Event participation records.

5.2.1.2 PERFORMANCE ASSESSMENT

The Demand Response Curtailment will be calculated for each Contributor using the baseline methodology outlined in Section 2.9.1. The Peak Demand Savings will be determined for each Participant.

5.2.1.3 INCENTIVE CALCULATION

The $/MW-season rate will be published prior to the Event Season and will be informed by the most recent Capacity Auction summer season clearing price. Participant Incentives will be calculated in accordance with Section 2.4. In order to determine a Participant's Peak Demand Savings, the number of Events during the Event Season that will be included in calculations will follow the Event Allowance table, for up to 12 Events:

Table 2

Performance Incentive Calculation Inputs: Event Allowance			
Total number of Events called by IESO	Number of Events called by IESO ***to use in calculation***	**Number of** Participant's lowest performing Events to remove	**Number of** Participant's highest performing **Events to** include
0	0	0	0
1	1	0	1
2	2	0	2
3	3	0	3
4	4	0	4
5	4	1	4
6	5	1	5
7	6	1	6

Performance Incentive Calculation Inputs: Event Allowance			
Total number of Events called by IESO	Number of Events called by IESO ***to use in calculation***	**Number of** Participant's lowest performing Events to remove	**Number of** Participant's highest performing **Events to** include
8	6	2	6
9	7	2	7
10	8	2	8
11	9	2	9
12	10	2	10

Should more than 12 Events be called by the IESO, then a Participant's two lowest performing Events[6] will be removed from the Performance Incentive calculation, and the average MW curtailed will be calculated on the number of Events called minus 2.

Example: Participant Enrolls After Event Season Begins

An Event Season has up to 3 Events called per month for June, July, August and September, for a total of 10 Events called by the IESO during the Event Season. The Performance Incentive calculation for a Participant that registers and participates in 5 Events starting in August is calculated as follows:

Depending on the total number of Events called during an Event Season, a Participant may be able to exclude a certain number of its worst performing Events from its Performance Incentive calculation. In this example, where 10 Events have been called by the IESO, such allowance applies and therefore the Participant's top 8 performing Events will be included in their Performance Incentive calculation.

[6] The Participant's MW value of each Event is determined by the sum of Demand Response Curtailment provided by all Contributors responding to that Event. The lowest performing Event is one with the lowest sum total Demand Response Curtailment.

Table 3

Participant Aggregated Curtailment			
June **(Not registered)**	July **(Not registered)**	August	September
Event 1: 0 MW Event 2: 0 MW	Event 3: 0 MW Event 4: 0 MW Event 5: 0 MW	Event 6: 5 MW Event 7: 10 MW	Event 8: 8 MW Event 9: 9 MW Event 10: 6 MW

In this case, the Participant's top 8 performing Events comprise the 5 they participated in, plus 3 of the Events that occurred before they were approved to participate (each 0 MW). Two remaining Events at 0 MW are excluded from the Performance Incentive calculation.

Where the Event Curtailment MW is determined as an average of the hourly MW Curtailment for the duration of the Event; the hourly MW Curtailment is determined using the methodology outlined in Section 2.9.1.

The Participant Incentive (comprising the Performance Incentive and, where applicable, the Enabling Incentive[7]) is calculated as follows:

Table 4

Participant Incentive Calculation	
Average MW curtailed over Event Season	Per the Event Allowance table: With 10 Events called by the IESO, the two lowest performing Events are removed from the Participant's Curtailment calculation and the average MW is calculated on the best performing eight Events. = (Sum of Participant's aggregated Curtailment for Events in Event Season, applying any Event Allowance) / (Number of Events in Event Season, based on Event Allowance) = (Top eight performing Events) / (10 - 2 Events) = (~~0 + 0~~ + 0 + 0 + 0 + 5 + 10 + 8 + 9 + 6 MW) / (8 Events) = (38 MW) / (8 Events) = 4.75 MW average curtailed over season
Performance Incentive Rate	$54,845.40 MW-season[8]
Performance Incentive	= ($/MW-season) × (Average MW curtailed over the season) = ($54,845.40 MW-season) x (4.75 MW average season) = $260,515.65

[7] See Section 2.4
[8] Calculated in Section 2.4

Participant Incentive Calculation	
Performance Incentive + Enabling Incentive (where applicable)	= \$260,515.65 + (\$20,000/MW x 4.75 MW average season) = \$260,515.65 + \$95,000[9] = \$355,515.65

Example: Participant Responds to All Events

In this example, the IESO calls five Events starting in August. The Participant responds to all five Events as follows:

Table 5

Participant Aggregated Curtailment			
June **(Not registered)**	July **(Not registered)**	August	September
No Events called	No Events called	Event 1: 5 MW Event 2: 10 MW	Event 3: 8 MW Event 4: 9 MW Event 5: 6 MW

Table 6

Participant Incentive Calculation	
Average MW curtailed over season	Per to the Event Allowance table: With five Events called by the IESO, the single lowest performing Event is removed from the Participant's Curtailment calculation and the average is calculated on the best performing four Events. = (Sum of Participant's aggregated Curtailment for Events in Event Season, applying any Event Allowance) / (Number of Events in Event Season, based on Event Allowance) = (Top four performing Events) / (5 - 1 Events) = (~~5~~ + 10 + 8 + 9 + 6 MW) / (4 Events) = (33 MW) / (4 Events) = 8.25 MW average curtailed over season
Performance Incentive Rate	\$54,845.40 MW-season[10]
Performance Incentive	= (\$/MW-season) × (Average MW curtailed over the season) = (\$54,845.40 MW-season) x (8.25 MW average season) = \$452,474.55

[9] Maximum Enabling Incentive, refer to Section 2.4.2
[10] Calculated in Section 2.4

Participant Incentive Calculation	
Performance Incentive + Enabling Incentive (where applicable)	= $452,474.55 + ($20,000/MW x 8.25 MW average season) = $$452,474.55 + $165,000[11] = $617,474.55

Example: Enabling Incentive Calculation

Participants will calculate the Enabling Incentive by confirming which Contributors qualify and determining their Event Season performance. As with the Performance Incentive calculation, a certain number of top Contributor performances will apply to the calculation of MW curtailed at the Contributor level (refer to Table 2). For example:

A Participant with four Contributors responds to 10 Events (Table 7). Only Contributors "B" and "D" qualify for an Enabling Incentive, and each have responded to all 10 Events as well. Applying the Event Allowance concept, each Contributor's best 8 performances are used to determine the Enabling Incentive.

Table 7: Contributor Load Reduction (MW)

Event	Contributor A	Contributor B	Contributor C	Contributor D
1	1	1.34	1.4	1.2
2	1.5	1.65	1.1	1.45
3	1.2	1.85	1.3	1.65
4	1.1	1.12	1	1.78
5	1.8	1.89	1.5	1.65
6	2	2.12	1.9	2.5
7	0.9	0.95	0.8	0.5

[11] Maximum Enabling Incentive, refer to Section 2.4.2

Event	Contributor A	Contributor B	Contributor C	Contributor D
8	0.5	0.8	0.6	0.6
9	1.7	1.43	1.9	1.5
10	1.8	1.4	2.5	1.3
Average of All 10 Performances	n/a	1.46	n/a	1.41
Average of Top 8 Performances	**n/a**	**1.60**	**n/a**	**1.63**

Using the Enabling Incentive rate of $20/kW ($20,000/MW), the Participant would earn $32,000 and $32,575 based on the performances of eligible Contributors "B" (1.60 MW) and "D" (1.63 MW), respectively, totalling $64,575.

5.2.1.4 ISSUANCE OF PAYMENTS

Incentive payments will be issued to Participants within 30 business days following the completion of data verification and approval at the end of the Event Season. Participants are responsible for distributing payments to Contributors based on their individual Curtailment contributions.

5.2.2 PERFORMANCE AND NON-COMPLIANCE

Participants failing to submit complete or accurate data may be subject to reduced incentive payments or disqualification from future participation.

6.0 DATA AUDIT

6.1 DATA AUDIT OBJECTIVE

The Program Delivery Agent will conduct Data Audits to assess and verify the completeness and accuracy of Settlement Report and confirm compliance with the Program Requirements. The Data Audit includes a review of the supporting information provided at the time of registration and Sections 3 to 5, and documentation provided during the Data Audit.

6.2 PARTICIPANT DATA AUDIT RESPONSIBILITIES

The Participant will be responsible for the following as part of Data Audits initiated by the Program Delivery Agent:

- Providing the Program Delivery Agent with access to the required information and submitting information and evidence of requested data, which may include LDC billing data for Contributors;
- Revisions to the Settlement Report where the Data Audit requirements are not met and/or errors are identified in the Settlement Report; and
- Adjustments to the Participant Incentive, where the Data Audit requirements are not met and/or errors are identified in the Settlement Report.

6.3 DATA AUDIT TYPES & SCHEDULING

The Program Delivery Agent will initiate either of the following Data Audits, which will be communicated to Participants no later than the 3rd business day of the start of the month after the end of the Event Season (e.g., October 5, 2026, for 2026 Event Season):

- **Full Data Audit:** Participant is required to provide and submit required documents by the Program Delivery Agent for all their Contributors.

- **Partial Data Audit:** Participant is required to provide and submit documents required by the Program Delivery Agent for a minimum of 5% of their Contributors, where the Contributors will be determined by the Program Delivery Agent.

6.4 DATA AUDIT DOCUMENT REQUIREMENTS

Participants are required to provide the following information, including any additional supporting information, required by the Program Delivery Agent as part of their Settlement Report by the Settlement Submission Deadline.

- **LDC billing statements:** to verify the LDC account number of the Contributor and the total energy presented on the LDC statement against the Facility meter data file submitted for the Contributor
- **Facility measurement data:** must be provided for each applicable Contributor for the Event Season and additional baseline meter data as required to verify the Settlement Report.
- **Eligible Measure data:** must be provided for 5% of the Contributor Facilities required by the Program Delivery Agent to verify that the Eligible Measures meets the requirements in Section 2.3.4, which includes an itemized breakdown of the HVAC and non-HVAC Eligible Measures for Contributor Capacity, and their corresponding capacity and nameplate capacity photos

  Eligible Measure data will be required for up to 5% of the Participant's Contributors for both Full Data Audits and Partial Data Audits, rounded up. For example, a Participant with 110 Contributors that is selected for a Full Data Audit or Partial Data Audit, will be required to provide Eligible Measure data for 6 Facilities selected by the Program Delivery Agent. The Participant will be required to provide Eligible Measure data for a minimum of 1 of their Contributors, where they are selected for a Full Data Audit or Partial Data Audit.

6.5 DATA AUDIT PROCEDURE

The Data Audit consists of three assessments:

1. **Contributor Measurement Data Assessment:** reconciles the Contributor's LDC meter data against their LDC billing statement
2. **Contributor Settlement Report Assessment:** reconciles the sum of the Contributor's LDC meter data against their Settlement Report
3. **Contributor Eligible Measure Assessment:** verifies that the Contributor Capacity is from Eligible Measures, and a minimum of 75% of the Contributor Capacity is from HVAC Eligible Measures and up to 25% of the Contributor Capacity is from non-HVAC Eligible Measures based on the Eligible Measure Data detailed in Section 6.4

6.5.1 CONTRIBUTOR MEASUREMENT DATA ASSESSMENT PROCEDURE

The sum total of the actual measurement data file for each Contributor is compared against the total monthly consumption indicated in the LDC billing statement for that Contributor by:

- Comparing the total kWh (energy) for a given month – area under the curve
- Comparing the highest kW (power) value – peak demand

The Program Delivery Agent, at its discretion, may require the Participant to provide five-minute LDC internal data to review as part of the assessment, where the provided documentation does not provide adequate assurance that the data reconciles on an interval-by-interval basis. The Participant attests that the five-minute LDC interval data is collected from the LDC.

The difference between the actual measurement data and corresponding LDC billing statement for the Contributor shall be within ±1% of the consumption indicated in the LDC statement. A Data Audit will be “Closed with Observations” if the intervals from the submitted measurement data are outside the ±1% threshold when compared to intervals from the LDC verified five-minute interval meter data.

6.5.2 CONTRIBUTOR SETTLEMENT ASSESSMENT PROCEDURE

The Program Delivery Agent will use the absolute error methodology for the Contributor Settlement Report Assessment, which is described below:

1. At the time of the Data Audit, the Participant is required to submit LDC meter data for each applicable Facility for the Contributor required by the Program Delivery Agent.
2. The LDC meter data is then compared to the submitted measurement data on a five-minute interval basis for the applicable Contributor’s Facility.
3. An absolute difference between the LDC meter data and submitted measurement data is taken for the applicable Contributor’s Facility.
4. Sum of the absolute difference is compared against the sum of the submitted measurement data for the applicable Contributor’s Facility.
5. This sum of the absolute difference should be within 1% of the summed submitted measurement data for the applicable Contributor’s Facility.

6.5.3 CONTRIBUTOR ELIGIBLE MEASURE ASSESSMENT PROCEDURE

The Eligible Measure data detailed in Section 6.4 will be reviewed and compared against the Settlement Report, as follows:

1. The Contributor Capacity Curtailment for the HVAC Eligible Measures and Non-HVAC Eligible Measures for the Contributor Facility will be compared against the nameplate capacity photo for each Eligible Measure to ensure that a minimum of 75% of the Contributor Capacity Curtailment is from HVAC Eligible Measures and up to 25% is from non-HVAC Eligible Measures.
2. The Data Audit documents will be reviewed against the registration data for the Contributor’s Facility to ensure that the measures that are being curtailed during the season are Eligible Measures.

6.6 DATA AUDIT REVIEW AND REMEDIAL ACTIONS

The Program Delivery Agent will review the documents provided by the Participant for the Data Audit for completeness and accuracy and inform the Participant of any discrepancies and actions required to address the discrepancies by the 5th business day after the Settlement Submission Deadline. The Participant will be required to submit remedial evidence within 10 business days by the Program Delivery Agent, where discrepancies are identified. If the discrepancies are not resolved after one resubmission, along with any errors identified by the Program Delivery for the Settlement Report, the Program Delivery Agent will complete the Data Audit and issue observations and including any remedial actions that were taken by the Program Delivery Agent by the 10th business day after the Participant submits any additional information or revisions required for the Data Audit or updates to the Settlement Report as detailed under Section 6.7.

6.7 CLOSURE OF DATA AUDIT

After the review of the Data Audit documents is complete, the Program Delivery Agent will disclose the Data Audit results to the Participant and close the Data Audit as follows:

1. The Data Audit is considered "Complete" when:
   a. **Contributor Measurement Data Assessment:** the LDC meter data reconciles with the associated LDC billing statement for the Contributor's applicable Facilities (tolerance of ±1%); and
   b. **Contributor Post-Season Submission Assessment:** the sum of the LDC meter data reconciles with the Settlement Report data for the Contributor's applicable Facilities (tolerance of ±1%); and
   c. **Contributor Eligible Measure Assessment:** the measures participating during the Event Season for the Contributor's applicable Facilities is confirmed to adhere to the requirements under Section 2.3.4
2. The Data Audit is considered "Closed with Observations" when:
   a. the actual measurement data and audit documentation differs from the Settlement Report; and/or
   b. the Contributor Measurement Data Assessment and Contributor Settlement Report Assessment is greater than ±1%; and/or
   c. the Contributor Eligible Measure Assessment reveals that the requirements under Section 2.3.4 were not met and/or the actual measure data for Events exceed the verified contribution for verified Eligible Measures; and/or
   d. the required documentation is not provided by the Participant by the required Data Audit timelines under Sections 6.3 and 6.4.

Data Audits that are "Closed with Observations" are subject to corrections to the Settlement Report and adjustments to the Participant Incentive payment as specified by the Program Delivery Agent.

7.0 PROGRAM SPECIFIC DEFINITIONS

Applicant: means any Person who has submitted an application to the Program.

Application: means a submission made by an Applicant in the form and manner specified by the IESO or the Program Delivery Agent to seek participation in the Program.

Baseline Methodology: the method used to calculate expected electricity usage in the absence of an Event, adjusted for weather and other factors, to measure Curtailment performance.

C&I: Commercial, Industrial, Institutional electricity consumers.

Contributor: means an entity that meets the eligibility requirements outlined in the Program that owns and/or operates a Facility that is represented by one unique street address.

Contributor Capacity: means the total nameplate capacity for Eligible Measures for a Contributor's Facility that is approved by the Program Delivery Agent.

Contributor Measurement Data Assessment: means the assessment conducted to verify and compare the LDC meter data and the LDC billing data for a Contributor that is subject to a Data Audit as detailed in Section 6.5.

Contributor Settlement Report Assessment: means the assessment conducted to verify and compare the LDC meter data and the Settlement Report for a Contributor that is subject to a Data Audit as detailed in Section 6.5.

Contributor Eligible Measure Assessment: means the assessment conducted to verify the Contributor Capacity and Eligible Measures for a Contributor that is subject to a Data Audit as detailed in Section 6.5.

Curtailment: means the measurable reduction in electricity demand from Eligible Measures during an Event.

Data Audit: a review process conducted by the Program Delivery Agent to assess and verify the completeness and accuracy of submitted settlement data and confirm compliance with Program Requirements as detailed in Section 6.0 and its subsections.

Demand Response (DR): means the act of reducing electricity use as a response to need, as determined by the IESO

Demand Response (DR) Target: means the targets for the Program detailed in Section 2.7.1.

Dispatchable Load: means a load resource which is subject to dispatch by the IESO and whose level is selected or set based on the price of energy in the day-ahead market or real-time market, and, for greater certainty, excludes hourly demand response resources.

Distribution System: means a system connected to the IESO-Controlled Grid for distributing electricity at voltages of 50 kV or less and includes any structures, equipment or other thing used for that purpose.

Eligible Measures: means HVAC and non-HVAC measures that meet the requirements under Section 2.3.4 that are capable of Curtailment during Events.

Enabling Incentive: means the incentive paid or payable to a Participant to support qualifying first-time Contributors as described in Section 2.4.2.

Event: means the Demand Response performance period occurring in the Event Season on business days, typically between 3:00 p.m. to 7:00 p.m. ET and lasting up to 3 hours, which is subject to change as determined by the IESO depending on system conditions.

Event Allowance: means the number of lowest performing Events during the Event Season that can be excluded from a Participant's Performance and Enabling Incentive calculations, as described in Section 5.2.1.3.

Event Season: means the period occurring on business days (Monday to Friday, excluding statutory holidays in Ontario), June 1 through September 30.

Facility: means the building, premises, or part thereof, owned and/or operated by the Contributor containing Eligible Measures. Each Facility is defined by a unique street address.

Governmental Authority: means any federal, provincial, or municipal government, parliament or legislature, or any regulatory authority, agency, tribunal, commission, board or department of any such government, parliament or legislature, or any court or other law, regulation or rule-making entity, having jurisdiction in the relevant circumstances, including the Ontario Energy Board, the Electrical Safety Authority, the Environmental Commissioner's Office, and any Person acting under the authority of any of the foregoing.

Industrial Conservation Initiative (ICI): in Ontario is a demand response program designed to encourage large electricity consumers (Class A customers) to reduce their electricity use during peak demand periods.

IESO: means the Independent Electricity System Operator established under Part II of the Electricity Act, 1998 (Ontario), and any successor thereto.

IESO-Controlled Grid: has the meaning given to it in the IESO Market Rules.

IESO Market Rules: means the rules made under Section 32 of the Electricity Act, 1998 (Ontario), together with all market manuals, policies, and guidelines issued by the IESO or its successor.

Non-Dispatchable Load: means a load resource, within the IESO control area, that is not dispatchable and whose level is not selected or set by the IESO based on the price of energy in the day-ahead market or real-time market.

Participant: means a Person who meets the eligibility requirements set out in Section 2.3.1 of the Program Requirements, whose application has been approved, and who has signed a Participant Agreement.

Participant Agreement: means the agreement between the IESO and the Participant setting out the terms and conditions of the Participant's participation in the Program that a Participant must enter into and agree to be bound by in order to participate in the Program and to receive a Participant Incentive.

Participant Capacity: means the sum of the Contributor Capacity for each of the Participant's Contributors.

Participant Incentive: means all financial incentives paid or payable to a Participant including any Performance Incentive and/or Enabling Incentive.

Peak Demand Savings: means the average Demand Response Curtailment achieved by all of a Participant's Contributors for each Event called during the Event Season in megawatts (MW) as determined in accordance with the Baseline Methodology in Section 2.9.1, and verified through the settlement and audit processes in Sections 5.0 and 6.0.

Performance Incentive: means financial incentives paid or payable to a Participant based on validated Peak Demand Savings achieved by the Participant Curtailment as described in Section 2.4.1.

Performance Incentive Rate: means the $/MW-season rate for a specific Event Season used to determine the Performance Incentive as detailed further in Section 2.4.1.

Person: means a natural person, firm, trust, partnership, association, unincorporated organization, limited partnership, company or corporation (with or without share capital), joint venture, sole proprietorship, Governmental Authority or other entity of any kind.

Post-Season: means October 1 through December 31 of the Event Season year.

Pre-Season: means January 1 through May 30 of the Event Season year.

Program Delivery Agent: means the service provider under contract with the IESO to provide delivery services for the Program.

Program Requirements: The terms and conditions contained in this document governing participation and compliance.

Settlement Report: means report summarizing Curtailment and incentive calculations and participation data after the Event Season in accordance with Sections 5.0 and 6.0, and their subsections.

Settlement Submission Deadline: means the deadline for the Participant to submit the Settlement Report to the Program Delivery Agent as detailed in Section 5.1.2.

APPENDIX A - ILLUSTRATIVE EXAMPLES OF ACCEPTABLE GAP FILLING TECHNIQUES

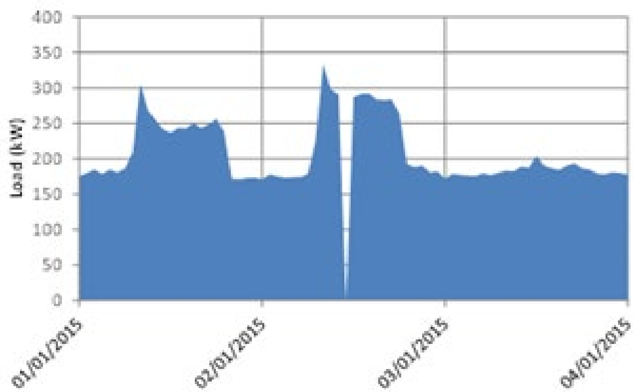
The following examples illustrate acceptable methods to fill gaps.

The technique(s) employed for gap filling are up to the Participant. The Program Delivery Agent will assess the validity of each gap filled.

Example 1: Single Point Gap Fill using Interpolation:

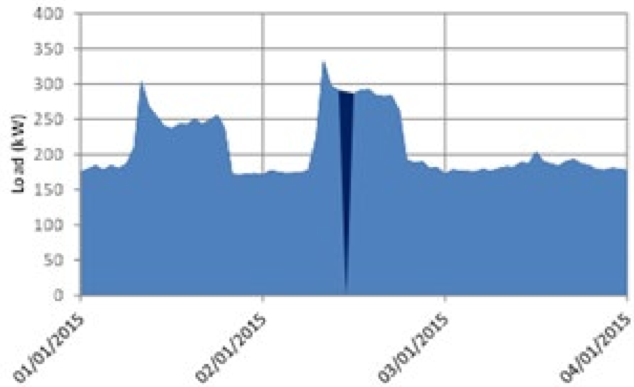
This technique is applicable to most situations where the gap corresponds to a single hour (data point).

In this example, a gap in the interval data occurs January 2, 2015 at 11:00 a.m. lasting 1 hour.



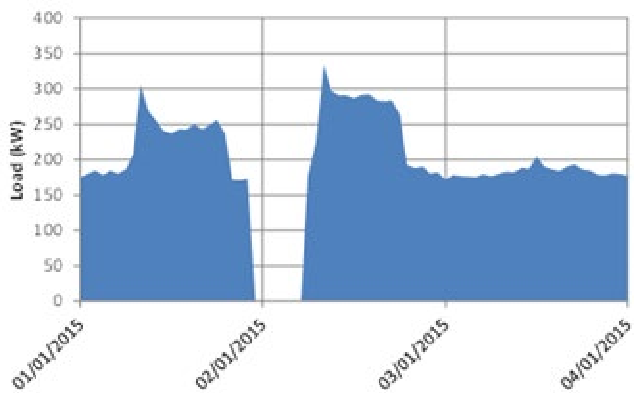
The load just prior to the gap (10:00 a.m.) was 291 kW and the load just after the gap (12:00 p.m.) was 287 kW.

The gap was filled with a value of 289 kW, determined by taking the average between the two known data points.



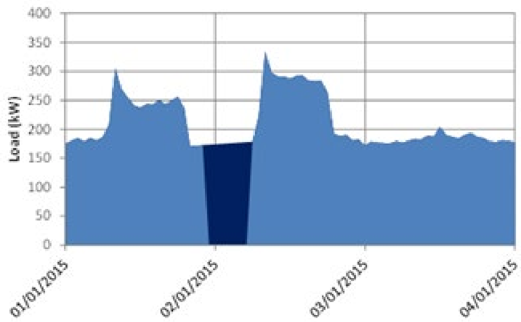
Example 2: Multiple Point Gap Fill over a period of relatively Constant Load using linear interpolation:

In this example, a gap in the data occurs between January 2, 2015 11:00 p.m. and January 2, 2015 5:00 a.m. A maximum 12-hour data gap size can be filled using this method.



An analysis over similar hours on other days was made, and it indicated that the load over which the gap appears is generally constant. The load just prior to the gap (January 1 10:00 p.m.) was 172.7 kW and just after the gap (January 2, 6:00 a.m.) was 178.5 kW.

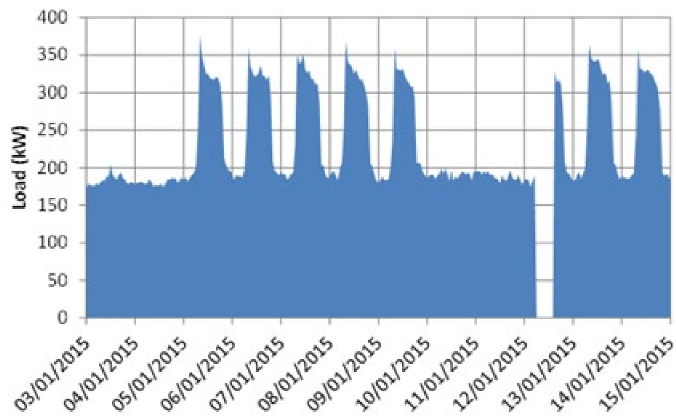
The gap was filled by linear interpolation with the values summarized in the chart.



Timestamp	Load (kW)
Jan-01, 2015 - 10:00 PM	172.7
Jan-01, 2015 - 11:00 PM	172.8
Jan-02, 2015 - 12:00 AM	172.9
Jan-02, 2015 - 1:00 AM	173
Jan-02, 2015 - 2:00 AM	173.1
Jan-02, 2015 - 3:00 AM	173.2
Jan-02, 2015 - 4:00 AM	173.3
Jan-02, 2015 - 5:00 AM	173.4
Jan-02, 2015 - 6:00 AM	173.5

Example 3: Multiple Point Gap Fill using Averaging:

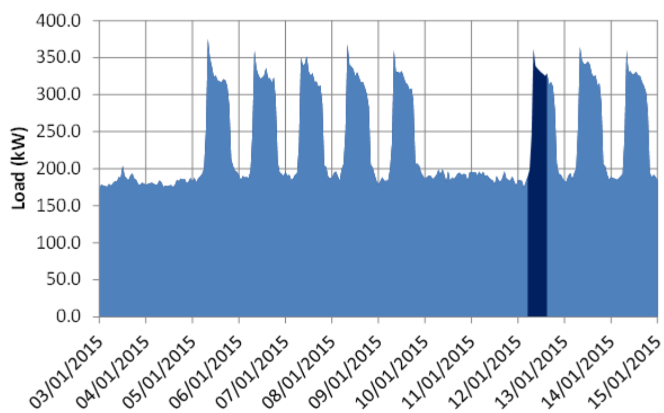
There is a gap in the data January 12, 2015 occurring between 6:00 a.m. and 2:00 p.m. A maximum 12-hour data gap size can be filled using this method.



An analysis on other days over similar hours that the load over which the gap appears is not constant but is repeatable.

The gap was filled by averaging interval data over similar time periods representative of the gap.

hour	Date							
beginning	Jan-05	Jan-06	Jan-07	Jan-08	Jan-09	Jan-13	Jan-14	average
6:00AM	199.8	197.4	193.6	206.3	199.5	200.1	192.9	198.5
7:00AM	252.6	249.6	230.6	251.1	234.8	256.4	242.4	245.3
8:00AM	376.0	360.0	350.4	368.8	360.5	364.1	359.4	362.7
9:00AM	349.9	335.4	338.8	340.2	330.2	345.8	330.6	338.7
10:00AM	338.1	326.7	341.3	337.9	331.1	341.6	331.65	335.5
11:00AM	323.8	321.3	351.8	334.2	328.8	341.1	326.85	332.6
12:00PM	326.0	322.8	331.1	324.6	331.9	345.0	328.2	329.9
1:00PM	319.2	325.5	325.3	330.3	323.6	340.6	330.75	327.9
2:00PM	317.7	336.2	329.1	322.9	316.1	328.5	325.65	325.2



APPENDIX B – ONTARIO BUILDING CODE CLIMATIC DESIGN DATA

The Program will adopt the Ontario Building Code Supplementary Standard SB-1, specifically Table 2, provides Climatic Design Data that is essential for sizing HVAC equipment. For Demand Response (DR) capacity submissions, Contributors and Participants must reference the nameplate capacity of weather-sensitive HVAC systems, which are sized based on:

July 2.5% Dry Bulb Temperature (Column 5)

July 2.5% Wet Bulb Temperature (Column 6)

These values represent the extreme summer conditions that occur in only 2.5% of the time and are used to ensure HVAC systems can meet peak cooling loads. It is assumed that the DR capacity submission by the Participants occurred at the July 2.5% Design Temperature. During Events, actual conditions may be less or more severe, allowing for temporary load reductions. Climatic Design Data can be found with the link below:

https://www.publications.gov.on.ca/browse-catalogues/building-code-and-guides/2024-ontarios-building-code-compendium-updated-to-january-16-2025-two-volume-pdf-set-kit

APPENDIX C – BASELINE METHODOLOGY & EXAMPLE

The methodology selects baseline days using maximum daily temperature as the primary variable of interest. Baseline days are drawn from a window spanning 45 days before and up to 30 days after the Event (capped at September 30). From this window, the four days with maximum daily temperatures closest to the Event-day are selected.

The methodology also applies a same-day load adjustment that uses data from hours before the Event. Specifically, it uses a two-hour pre-event adjustment with a two-hour buffer period between the event and adjustment period.

This methodology is used to estimate the baseline and savings for each Event for each Contributor. The following data is needed for each Event and Contributor:

- Hourly temperature data from a representative weather station
- Hourly interval data for 45 days prior to and 30 days post Event
- The date and time of each Event

The table below presents the detailed steps used to calculate the recommended baseline, weather matching using the nearest 4 days (max temp) with a pre-event adjustment. This section also includes an illustrative example that demonstrates how the methodology is applied in practice.

Baseline Calculation Process

Baseline Calculation
0. Start with hourly interval data with at least 45 days of data prior to and 30 days of day post the event. a. Cap the post data to September 30th (discard days after September 30th if present in the post data pool).
1. Clean the data by removing ineligible days (weekends and holidays) and other Event days. a. For specific sites with defined seasonal closures (such as schools), remove data corresponding to non-operational periods, including summer breaks (e.g., July and August). For instance, if an event occurs on September 10 for a school, the lookback window should omit July and August entirely and instead extend further back to include operational months such as May and April.
2. Obtain the weather variable (maximum daily temperature) for corresponding days
3. Sort the dataset by how similar the eligible days are to the Event day, by calculating the absolute value of the difference between the event day maximum temperature and the eligible day's maximum temperature.
4. Sort by the weather variable absolute difference in decreasing order and pick the top 4 largest days. These are your baseline days.

Baseline Calculation
a. In case of a tie between baseline days, pick the closest calendar day(s) to the event.
5. Calculate the unadjusted baseline by averaging the hourly kW values across the 4 baseline days.
6. Perform the same-day adjustment as necessary a. Define the adjustment window period: two-hour pre-event adjustment window with a two-hour buffer. b. Average the usage across those pre-event hours for both the baseline and the Event day observed load. c. Calculate the adjustment factor by dividing the baseline average window value by the observed average window value. Adjustment Factor = Average Event Load (Pre-Event Window) / Average Baseline Load (Pre-Event Window) d. Cap the ratio between 0.71 and 1.4 using the following logic: i. If the ratio is less than 1/1.4 = 0.71, the capped ratio is now set to 0.71. ii. If the ratio is between 0.71 and 1.4, the ratio remains as is. iii. If the ratio is greater than 1.4, the capped ratio is now set to 1.4. e. Apply the capped ratio to each hour of the baseline by multiplying the capped ratio by the hourly baseline values for each hour, if necessary. f. The profile obtained in step 6e is the adjusted baseline.
7. Calculate the difference between the adjusted baseline and event load for each Event hour to obtain the peak demand savings. Calculate the average over all Event hours to obtain the peak demand savings for the event.

ILLUSTRATIVE EXAMPLE

The Event-day in this example, is August 30th, when the program is called between 5 p.m. and 6 p.m. The calendar example in Step 0 shows the baseline day selection process.

Step 0: Start with data 45 days of prior Event data and 30 days post event data. Note that the calendar example below doesn't show all prior 45 days and 30 post event days from the baseline pool.

Baseline Day Selection Process

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	31	1	2 Baseline Day Pool Temp: 11.9	3 Baseline Day Pool Temp: 12.1	4 Baseline Day Pool Temp: 11.4	5
6	7 Baseline Day Pool Temp: 11.2	8 Baseline Day Pool Temp: 13.2	9 Baseline Day Pool Temp: 13.5	10 Baseline Day Pool Temp: 13.2	11 Baseline Day Pool Temp: 15.1	12
13	14 Baseline Day Pool Temp: 14.9	15 Baseline Day Pool Temp: 15.6	16 Previous Event Day	17 Baseline Day Pool Temp: 16.2	18 Baseline Day Pool Temp: 17.5	19
20	21 Baseline Day Temp: 21	22 Baseline Day Temp: 21	23 Baseline Day Pool Temp: 20.8	24 Baseline Day Pool Temp: 19.4	25 Baseline Day Pool Temp: 19.9	26
27	28 Previous Event Day	29 Baseline Day Temp: 21.3	30 Event Day Temp: 25.6	31 Baseline Day Temp: 24.4	1 Baseline Day Temp: 25.1	2

Event Day

Previous Event Day

Selected Baseline Day Pool

Selected Baseline Day

Step 1: Clean the data by removing ineligible days (weekends and holidays) and other event days that the participants were dispatched. The eligible baseline pool days are highlighted in light blue. Weekends highlighted in grey and prior event days highlighted in orange are not part of the pool.

Step 2: The weather variable of interest (maximum daily temperature) is obtained for each eligible day as shown in Step 0.

Step 3: Calculate the absolute value of the difference between the event day maximum temperature and the eligible day's maximum temperature.

Date	21-Aug	22-Aug	23-Aug	24-Aug	25-Aug	29-Aug	30-Aug	31-Aug	1-Sep
Max. Daily Temp	21	21	20.8	19.4	19.9	21.3	25.6	24.4	25.1
Absolute Difference	4.6	4.6	4.8	6.2	5.7	4.3		1.2	0.5

Step 4: Sort by the weather variable absolute difference in increasing order and pick 4 days with the least difference.

Date	30-Aug	1-Sep	31-Aug	29-Aug	22-Aug	21-Aug	23-Aug	25-Aug	24-Aug
Max. Daily Temp	25.6	25.1	24.4	21.3	21	21	20.8	19.9	19.4
Absolute Difference		0.5	1.2	4.3	4.6	4.6	4.8	5.7	6.2

Step 4a: In case of ties, select closest day(s) to the event. August 21 and August 22 are tied in this example. Since August 22 is closer to the event, it is selected as a baseline day.

Date	30-Aug	1-Sep	31-Aug	29-Aug	22-Aug	21-Aug	23-Aug	25-Aug	24-Aug
Max. Daily Temp	25.6	25.1	24.4	21.3	21	21	20.8	19.9	19.4
Absolute Difference		0.5	1.2	4.3	4.6	4.6	4.8	5.7	6.2

Step 5: Average the hourly kW values across the 4 baseline days to get unadjusted baseline days.

Hour	1	2	3	4	5	6	7	8	9	10	11	12
Event Day Load (kW)	314.0	317.0	326.0	324.0	335.0	327.0	340.0	344.0	365.0	358.0	370.0	374.0
Unadjusted Baseline (kW)	314.8	314.5	317.0	318.3	315.0	315.0	324.3	335.8	347.5	344.0	350.3	355.8
Hour	13	14	15	16	17	18	19	20	21	22	23	24
Event Day Load (kW)	374.0	381.0	383.0	379.0	384.0	387.0	377.0	370.0	368.0	335.0	335.0	331.0
Unadjusted Baseline (kW)	357.3	366.5	374.5	374.5	377.0	383.3	370.8	362.0	359.0	337.0	331.0	329.8

Step 6a: Define the adjustment window period as a two-hour pre-event adjustment window with a two-hour buffer. Since the event is called between 5 p.m. and 6 p.m., the pre-event is defined as 1 p.m. to 3 p.m.

Hour	1	2	3	4	5	6	7	8	9	10	11	12
Event Day Load (kW)	314.0	317.0	326.0	324.0	335.0	327.0	340.0	344.0	365.0	358.0	370.0	374.0
Unadjusted Baseline (kW)	314.8	314.5	317.0	318.3	315.0	315.0	324.3	335.8	347.5	344.0	350.3	355.8
Hour	13	14	15	16	17	18	19	20	21	22	23	24
Event Day Load (kW)	374.0	381.0	383.0	379.0	384.0	387.0	377.0	370.0	368.0	335.0	335.0	331.0
Unadjusted Baseline (kW)	357.3	366.5	374.5	374.5	377.0	383.3	370.8	362.0	359.0	337.0	331.0	329.8

	Pre-Event Window
	Buffer
	Event Window

Step 6b: Average the usage across the pre-event hours for both the baseline and the event day observed load.

	Pre-Event Window
Event Day Load (kW)	382.0
Unadjusted Baseline (kW)	370.5

Step 6c: Calculate the adjustment factor using the pre-event window calculated averages. The adjustment factor is 1.03.

Adjustment Factor = Average Event Load (Pre-Event Window) / Average Baseline Load (Pre-Event Window)

$$\textit{Adjustment Factor} = \frac{382.5}{370.5} = 1.03$$

Step 6d: Cap the adjustment factor if necessary. Since 1.03 is within the range of 0.71 and 1.4, capping is not necessary.

Step 6e: Apply the adjustment factor to each hour of the baseline by multiplying the capped ratio by the hourly baseline values for each hour.

Hour	1	2	3	4	5	6	7	8	9	10	11	12
Unadjusted Baseline (kW)	314.8	314.5	317.0	318.3	315.0	315.0	324.3	335.8	347.5	344.0	350.3	355.8
Adjusted Baseline (kW)	324.5	324.3	326.8	328.1	324.8	324.8	334.3	346.2	358.3	354.7	361.1	366.8
Hour	13	14	15	16	17	18	19	20	21	22	23	24
Unadjusted Baseline (kW)	357.3	366.5	374.5	374.5	377.0	383.3	370.8	362.0	359.0	337.0	331.0	329.8
Adjusted Baseline (kW)	368.3	377.9	386.1	386.1	388.7	395.1	382.3	373.2	370.1	347.5	341.3	340.0

Step 6f: The profile obtained in step 6e is the final adjusted baseline.

Hour	1	2	3	4	5	6	7	8	9	10	11	12
Event Day Load (kW)	314.0	317.0	326.0	324.0	335.0	327.0	340.0	344.0	365.0	358.0	370.0	374.0
Adjusted Baseline (kW)	324.5	324.3	326.8	328.1	324.8	324.8	334.3	346.2	358.3	354.7	361.1	366.8
Hour	13	14	15	16	17	18	19	20	21	22	23	24
Event Day Load (kW)	374.0	381.0	383.0	379.0	384.0	387.0	377.0	370.0	368.0	335.0	335.0	331.0
Adjusted Baseline (kW)	368.3	377.9	386.1	386.1	388.7	395.1	382.3	373.2	370.1	347.5	341.3	340.0

Step 7: Calculate the difference between the adjusted baseline and the event load for each hour during the event window. Calculate the average over all Event hours to get the peak demand reduction for the Event. The average kW reduction for this Event is 8.1 kW.

$$\textbf{\textit{Average kW Reduction}} = 395.1 - 387 = 8.1\ kW$$

APPENDIX D – REGISTRATION AND REPORTING OBLIGATIONS AND TIMELINES

The following table is provided for reference and does not supersede the requirements and timelines detailed further in this or other sections of this document.

Section(s)	Applicable Season	Responsible	Registration or Reporting Obligation*	Timeline
3.0 to 3.4 (Pre-Season Requirements)	Pre-Season, Event Season	Participant	Register as a Participant, submit Contributor registration requests, and required registration information	For the 2026 program year: No later than May 14, 2026, where the Participant and Contributors are expecting to participate in Events effective June 1 (Event Season start). For participation after the Event Season begins, no later than the 14th calendar day prior to the start date of the effective month.
3.0 to 3.4 (Pre-Season Requirements)	Pre-Season, Event Season	Program Delivery Agent	Complete review of Participant registration and Contributor registration, and inform Participant of approval or rejection of registration or any additional information required for approval	For Participant registration, no later than 5 business days after registration. Contributor registration requests will be processed and responded to by the Program Delivery Agent, including notice of approval or rejection, at least four business days before

Section(s)	Applicable Season	Responsible	Registration or Reporting Obligation*	Timeline
				the start of the effective month.
2.5.3 (Notification Protocol); 2.6 (Coordination with LDCs); and 4.1 (Notifications and Event Management)	Event Season	Program Delivery Agent	Issue stand-by and activation notice to Participants and inform registered LDCs of Events	Standby Notice: one day prior to potential Event no later than 12:00 p.m. ET Activation Notice: no later than 12:00 p.m. ET on the day of the Event
4.1 (Notifications and Event Management)	Event Season	Participant	Inform Contributor(s) of the start and end of Events	Within timelines to allow Contributors to successfully participate in the Event
4.2 (Participation Confirmation)	Event Season	Participant	Collect Event participation details from Contributors	During each Event
4.3 (Events Reporting)	Event Season	Participant	Provide Contributors with a written summary of the Event	No later than 5 business days after each Event
4.3 (Events Reporting)	Event Season	Participant	Provide Program Delivery Agent with a written summary of Event participation	No later than 10 business days after each Event
6.3 (Data Audit Types and Scheduling)	Post-Season	Program Delivery Agent	Initiate and communicate requirements to Participants that are	No later than 3 business days after the

Section(s)	Applicable Season	Responsible	Registration or Reporting Obligation*	Timeline
			subjected to a Data Audit	start of the month after the Event Season
5.0 to 5.2.2 (Post-Season Requirements) & 6.0 to 6.7 (Data Audits)	Post-Season	Participant	Submit Settlement Report to the Program Delivery Agent, including information required for Data Audit, where applicable	No later than 6 business days before the end of the month after the Event Season
		Program Delivery Agent	Review Settlement Report and notify Participant of any required corrections	No later than 5 business days after the Settlement Submission Deadline
		Participant	Resubmit Settlement Report with any corrections additional information required	If not subject to a Data Audit, no later than 5 business days after the date the Program Delivery Agent informs the Participant of required corrections If subject to a Data Audit, no later than 10 business days after the date the Program Delivery Agent informs the Participant of required corrections
		Program Delivery Agent	Final review of Settlement Report and notify Participant of the approved Participant	No later than 10 business days after the

Section(s)	Applicable Season	Responsible	Registration or Reporting Obligation*	Timeline
			Incentive, including results of Data Audit, where applicable	Participant resubmits their Settlement Report

*Refer to the applicable section and sub-sections of the Program Requirements for the reporting obligation requirements.