

What is the Industrial Conservation Initiative (ICI)?

The Industrial Conservation Initiative (ICI) provides an incentive for large electricity consumers to conserve electricity. Companies that participate in ICI are incented to lower their electricity usage in peak hours in order to reduce their costs.

Electricity consumers that participate in ICI are charged global adjustment (GA) based on their contribution to the “top five peak” demand hours in Ontario each year. Participants in ICI are able to reduce their GA costs based on their ability to reduce demand during these five peaks.

The better that an ICI participant can forecast the top five hours of peak demand and shift their electricity usage accordingly, the more they will be able to benefit from the ICI program.



**THRESHOLD
LOWERED**

For all
consumers

>1MW

For manufacturers
+ greenhouses

>500kW

save up to

1/3

off your bill

What's new with this program?

Two changes have been made to the program:

- All consumers over 1 megawatt (MW) of monthly average peak demand are now eligible for the program.
 - Prior to this change, all consumers over 5 MW and consumers in selected sectors between 3 and 5 MW were eligible.
 - It is expected that this change will make over 1,000 electricity consumers eligible.
- Consumers with more than 500 kilowatts (kW) and less than 1 MW of monthly average peak demand in the manufacturing and greenhouse sectors are now eligible for the program.
 - Consumers in this size class with North American Industry Classification System (NAICS) codes 31-33 and 1114 are now eligible.

Consumers that opt-in will see the impact on their bill beginning in July 2017.



What are the benefits of participating in ICI?

The ICI program reduces cost pressures on the province's electricity system by empowering large electricity consumers to lower their electricity demand during peak periods to reduce electricity bills. ICI has the added benefit of deferring the need to build new peaking generation facilities in the longer term.

Cost impact across sectors and industries varies. For example, a plastics manufacturer with an average peak demand of 2 MW that participates in the ICI program could see its electricity price reduced from \$154 per MWh to as low as \$102 per MWh. This would result in energy cost savings of up to \$42,000 per month.

How do I know if I will benefit?

ICI participants are charged GA based on their contribution to the "top five peak" demand hours in a year, rather than on the total volume of electricity they consume during a year. If your electricity demand is relatively flat you will likely benefit under ICI. The more an ICI participant is able to reduce its electricity consumption during the five peak demand hours, the more they will be able to benefit from the program. In addition, a Certified Energy Advisor or other energy management specialist may be able to help you determine the potential benefits.

Am I eligible? If so, how do I opt-in?

If your peak demand for electricity is above one megawatt, you will be eligible to opt-in to this program. You will also be eligible to opt-in if your peak demand is more than 500 kW and less than 1 MW and you are a consumer whose NAICS code begins with 31-33 or 1114.

Each year, participants in the program are assessed for eligibility and are notified in May if they qualify for ICI. Qualified participants must then notify their local electricity distributor by June 15th if they would like to opt-in to the ICI program.

Electricity consumers with a peak demand above five megawatts (MW) are classified as Class A consumers and must opt-out if they choose not to participate in ICI program. For more information on eligibility requirements, please contact your electricity distributor.

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