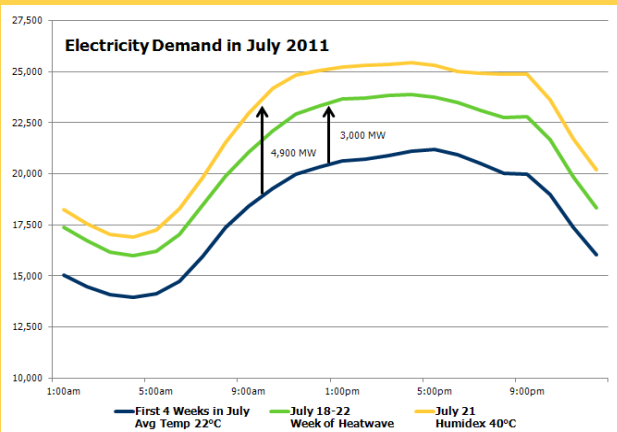


Summer Electricity Demand

Electricity use in Ontario is typically at its highest levels in the summer when air conditioning units are consistently running in periods of high temperatures and high humidity.

Each degree over 16°C creates an additional demand of around 280 megawatts (MW), which is like adding a city the size of Burlington to the grid.

High electricity demands generally mean higher prices. In 2011, demand for electricity in Ontario was over 24,000 MW for 17 hours. The hourly price averaged over 9.6 cents per kilowatt-hour during those hours - that's almost three times the average price of 3.23 cents.



You can monitor Ontario demand at www.ieso.ca/demand.

For more information about the electricity market, visit:

IESO Website:
www.ieso.ca

Electricity Pricing:
www.ieso.ca/price

Retail Contracts:
www.ieso.ca/retailers

Case Studies:
www.ieso.ca/profiles

Or contact IESO Customer Relations:

Tel.: 905.403.6900
Toll-Free: 1.888.448.7777
Fax: 905.403.6921
E-mail: customer.relations@ieso.ca

The Independent Electricity System Operator (IESO) is a not-for-profit organization that manages the reliability of Ontario's power system and operates the wholesale electricity market where the hourly price of electricity is set. Through its market education program, the IESO works with consumers paying the market price by creating educational material and providing opportunities for consumers to learn about the electricity sector and how they can better manage electricity costs.


Power to Ontario. On Demand.


Power to Ontario. On Demand.



**MAKING THE
ELECTRICITY MARKET
WORK FOR YOU**

Take Action

Understand the Electricity Market

The commodity portion of your electricity bill is comprised of two components: the hourly Ontario energy price and the global adjustment. Generally, the commodity portion can be over half of your total bill.

With an interval meter, your facility is charged the hourly price. The electricity charge on your bill is determined by multiplying the price against your electricity use in that hour.

Global Adjustment

Consumers that pay the market price of electricity or who have signed a retail contract have a separate line item on their bill called Global Adjustment (GA). This covers the fixed cost of generation and infrastructure. The GA rate fluctuates from month-to-month in response to changes in spot market prices.

Facilities with an average peak demand of over five megawatts (MW) are charged GA based on their coincident peak demand - that is, their electricity demand during the five annual hours when Ontario electricity demand reaches its highest levels. All other consumers will continue to pay GA based on their total monthly consumption (kWh) multiplied by the monthly GA rate.

For more detailed information on the Global Adjustment as well as current and historic rates, please visit: www.ieso.ca/globaladjustment.

Demand Response

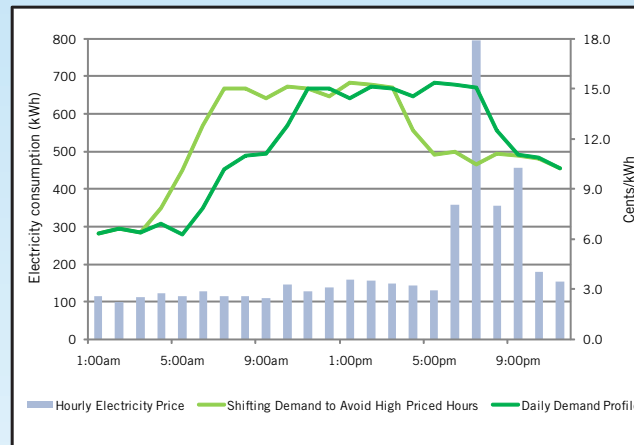
There are several opportunities to lower your bottom line by participating in demand response programs which also help the reliability of the power system.

Many facilities are participating in the Ontario Power Authority's Demand Response 3 program. If you can lower your electricity demand for four consecutive hours within a day's notice, this program might be a good fit for you. Check out www.powerauthority.on.ca for more information.

Investigate Load Shifting

Do your operations allow you flexibility to shift some of your load? The cost of electricity changes from hour to hour depending on changing system conditions. Off-peak power prices are generally twenty per cent lower than the price during the day.

If this small commercial business chose to start processes five hours earlier in the day after seeing higher prices forecast for the evening period, they could expect to see savings of \$3,000 in electricity commodity costs on this sample day.



Reduce Your Electricity Costs

Plan Your Success

Many business, industry and public sector organizations have a plan in place to control energy costs. Having a plan helps your business to focus its efforts on key areas, prioritize initiatives based on cost or other factors and ensure that your energy management team and employees know where to start and what to focus on.

That plan can include:

- Understanding your electricity bill
- Analyzing your demand profile
- Investigating a variety of energy management projects (no cost, low cost, reducing peak demand, etc)
- Cashing in on incentive programs
- Writing your plan down
- Gaining senior management support

Making a concerted effort in any or all of these areas will go a long way to building energy management credibility and seeing results in your organization.

Investigating Energy Efficiency Projects?

There are several incentive programs that can help you to save money on a variety of retrofit projects you may be looking at. The Ontario Power Authority runs and funds province-wide programs that are delivered by your local utility.

For more information, contact:

- Ontario Power Authority: www.saveonenergy.ca
- Your Local Distribution Company: www.ieso.ca/findutility

