

**Ontario Natural Gas Technical Evaluation Committee**  
**4th Quarter Report**  
**December 2012**

The Technical Evaluation Committee (TEC) is continuing to report on a quarterly basis. This report highlights TEC discussions and activities during the period of October 1<sup>st</sup> to December 31<sup>st</sup> 2012.

**1. Custom Project Savings Verification (CPSV) Process:**

The Committee has completed its current review of the Custom Project Savings Verification (CPSV) process. The Committee agreed to reassess the effectiveness of the revised relationship between CPSV and the audit process in early 2013.

The first wave of sample projects has been pulled for both utilities and the CPSV process is currently underway. A second wave of sample projects is expected to be selected in early 2013.

**2. Commercial and Industrial Custom Free-ridership and Participant Spillover Jurisdictional Review:**

The Committee continued its discussions on the jurisdictional review, making final edits to the Request for Proposal (RFP) which was released in late October. In addition to releasing the RFP to public tender, a number of North American firms with experience in the assessment of net to gross factors were invited to submit a proposal including:

KEMA	Apex Analytics LLC
NMR	The Cadmus Group
Ken Keating	Tetra Tech
ltron	Energy Market Innovations
Evergreen Economics	Research into Action
Navigant Consulting	Opinion Dynamics
TecMarket Works	Johnson Consulting Group
Heschong Mahone Group	

Nine proposals were received. The project subcommittee, (Jay Shepherd, Bob Wirtshafter and the Utility representatives), were tasked with reviewing the proposals and reporting their recommendations to the full TEC Committee. Navigant Consulting was selected as the winning bid. During the December 11<sup>th</sup> 2012 project kick-off meeting, two research priorities were established; to provide a comprehensive assessment of net to gross (NTG) values used in other jurisdictions across North America and determine whether there is sufficient information available from other jurisdictions to estimate Ontario NTG values without a full study.

An initial set of jurisdictions and studies has been identified. Preliminary data is expected from Navigant by the end of February 2013.

**3. 2012 Fall Update to the Current Input and Assumptions List:**

A complete draft submission was prepared jointly by the Utilities and presented to the full TEC for final review and comment at the December meeting.

On December 19<sup>th</sup>, the Utilities filed EB-2012-0441 - New and Updated DSM Measures Joint Submission from Enbridge Gas Distribution Inc. and Union Gas Ltd. with endorsement of the TEC. A response from the Ontario Energy Board (OEB) is expected in early January 2013.

#### **4. Technical Reference Manual (TRM):**

Throughout the quarter, the Committee continued its discussions on terms of reference for the Technical Reference Manual (TRM) project. The Committee agreed that the winning bidder must have a demonstrated ability to understand the Ontario market and appropriately apply TRM values in that context.

An RFP was released on December 21<sup>st</sup> 2012 both publicly and to the following selected firms with demonstrated experience in developing TRMs:

VEIC  
Optimal Energy  
TecMarket Works  
Rick Morgan & Associates  
Kema  
Itron  
Navigant

As detailed in the RFP, proposals are to be submitted by January 21<sup>st</sup> 2013. A successful bidder will be selected by mid February with project start date expected by February 28<sup>th</sup> 2013. It is anticipated that an interim report will be delivered by August 2012 with a first edition submitted to the OEB by January 2014.

#### **5. Other TEC Items:**

##### **Proposal Evaluation**

The Committee agreed to develop a proposal evaluation framework for each study. The TEC will not share the specific details (e.g. evaluation criteria and weights assigned to those criteria) of the proposal evaluation framework with the bidders beforehand, but the project RFP will provide – at a high level – the key selection criteria.

##### **TEC Subcommittee Accountability**

Project sub-committees are responsible for the administrative requirements of projects and for making recommendations to the full Committee, but the full Committee is ultimately responsible for material decisions and the end results.

##### **Sharing of TEC Evaluation Reports**

The Committee agreed that all final reports produced in consultation with the TEC will be treated as public documents, provided that they do not contain any confidential information (e.g. customer-specific data). In the event that a member of the TEC has a concern regarding the release of a report – the report will not be made public until the TEC has had the opportunity to discuss the concern expressed and an appropriate resolution has been reached.

##### **Upcoming Meeting Dates:**

January 24<sup>th</sup>, February 13<sup>th</sup> and March 21<sup>st</sup>