Ontario Natural Gas Technical Evaluation Committee 2nd Quarter Report July 2013

The Technical Evaluation Committee (TEC) publicly reports its discussions and activities on a quarterly basis. This report reflects work conducted for the period of April 1st to June 30th, 2013. Previous quarterly reports are available on the Ontario Energy Board (OEB) website online.

1. Custom Net-to-Gross Study

Following the Committee's decision to pursue a full custom net-to-gross study, the Committee highlighted priority questions for proponents and key areas of interest as they relate to the framing, objectives and methodology of the study. Committee members reviewed the 2008 net-to-gross study in an effort to revisit lessons learned and improve the quality of the upcoming study.

The Committee decided that the study methodology should be left to the bidder to propose. The RFP should instruct the bidder to provide a solution for taking into considerations the differences between Enbridge and Union's custom programs/customers/geographic reach as well as the timing issues related to Union's Large Industrial Program.

The Committee is in the process of drafting the RFP and it is expected to be finalized in the fall.

2. Technical Reference Manual

On May 15, 2013 the TEC and ERS conducted the TRM kick-off meeting. Prior to starting a review of any specific measures, ERS developed a measure template for the Committee to review. The measure template will be used for all measures in an effort to standardize the structure of each measure document. Throughout the duration of the project, it was determined that ERS may bring forward new technologies that are not included in the existing list.

The Committee pushed the project completion data from January 1, 2014 to March 1, 2014. The Committee agreed that having the TRM completed properly is a bigger priority than having it completed on time.

A tri-party agreement (Union, Enbridge, third-party contractor) is being developed to be used for all future TEC-initiated projects that require a contract, including the TRM project.

3. Free-ridership Values for New Prescriptive Measures

The Committee identified the need for guidelines to determine free ridership values for new prescriptive measures. The Committee will address this task in a future meeting.

<u>Upcoming Meeting Dates</u>: July 15, August 28, September 25