

**Ontario Natural Gas Technical Evaluation Committee**  
**2015 1st Quarter Report**

The Technical Evaluation Committee (TEC; “the Committee”) publicly reports its discussions and activities on a quarterly basis. This report reflects work conducted for the period of February 12, 2015 to March 10, 2015 (No meeting was held in January 2015). Previous quarterly reports are available on the Ontario Energy Board (OEB) website [online](#).

**1. Committee Business**

**1.1 Committee Member Terms**

The Committee discussed the topic of informing the Consultative regarding the current term of TEC intervenor members, given the Board’s role in evaluation as per the 2015-2020 DSM Guidelines (EB-2014-0134). Committee members raised and discussed various projects that are either currently underway or could be considered for prioritization. These projects included the (Technical Reference Manual) TRM, the Custom C/I Net-to-Gross Study (NTG), Persistence Study and Boiler Baseline Study.

The TEC agreed that intervenor and independent members should remain on the TEC until the end of Q2 2015 and continue to work on the TRM, NTG, and the Boiler Baseline Study.

Board Staff (T. Plagiannakos) will be invited to attend the remainder of the Q2 2015 TEC meetings.

**2. Technical Reference Manual Project**

**2.1 Review of Measures**

Review of measure substantiation documents is ongoing, with approximately 50% of substantiation documents complete.

The Committee endorsed substantiation documents for Pipe Insulation and Under-Fired Broiler and requested clarifications from the subcommittee on three other substantiations documents.

Board Staff inquired why the current substantiation document template does not include a market penetration section. TEC Members clarified that the Technical Reference Manual (TRM) is to provide technical information which tends to be more constant and static in nature. Variable market information, such as free ridership, is considered to inform program design and is not within the scope of the TRM.

## **2.2 Online Component**

Further to discussions raised at the TRM Subcommittee, the utilities shared the outcome of a recent teleconference with Board Staff on next steps relating to the online component of the TRM project. Board Staff clarified that they were not in a position to decide how to move forward with regard to the vendor (MindTouch) at this time.

T. Plagiannakos confirmed that the current priority is to finalize the TRM in a PDF format and the Board will provide guidance on the next steps once they are informed on the costs and maintenance required of the online component. Part of ERS' current contract includes a milestone billing arrangement that includes the input of the measure substantiation documents into the online platform. The TEC resolved to assess the impact of delivering the online component separately from the TRM in PDF format.

## **3. Net-to-Gross (NTG) Study**

The Commercial and Industrial Custom Project NTG Study was commenced at the end of 2013 and put on hold in July 2014 due to an unresolved project methodology item. This item is in relation to when influence occurred on a particular custom project and how it should be accounted for in the net-to-gross ratio. In other words, "how many historical program years should be taken into account by the study in determining NTG?"

In July 2014, it was clear that the Guidelines (EB-2008-0346) lacked clarity and with the impending release of a new framework for Natural Gas Utilities from the Ontario Energy Board, the TEC felt it prudent to gain clarity prior to continuing with the NTG study. The release of the new Framework and Guidelines (EB-2014-0134) did not provide the direction that the TEC required to reach resolution on the unresolved project methodology item. In Section 7.2.1 of the

Guidelines (EB-2014-0134), free ridership and spillover effects are defined however; no specific policy direction is included as to whether the custom projects NTG ratio should include cumulative year project effects due to the custom program's focus on long term customer relationships concentrating on continuous energy efficiency improvement.

TEC members continued the discussion on current year program effects versus cumulative year program effects and how this should be taken into account with free ridership and spillover. The TEC will have a further discussion with the Consultant (DNV GL) to resolve this item in efforts for the NTG Study to recommence.

#### **4. Boiler Baseline Study**

Board Staff indicated that the TEC should move forward with developing the scope of a joint utility Boiler Baseline Study. The undertaking of this project is as a result of an agreement through EGD's 2013 Audit to direct this recommendation to the TEC for completion in 2015. The study may also be used to inform the Boiler TRM substantiation documents. The TEC confirmed a subcommittee for the study consisting of C. Neme, B. Wirtshafter, EGD, and UG. The Boiler Baseline Subcommittee will initiate the development of a scoping document for the study.