

Chief
Administrative
Officer

December 21, 2005

Mr. John Zych
Board Secretary
Ontario Energy Board
2300 Yonge Street
26th Floor, Box 2319
Toronto, Ontario M4P 1E4

RE: EB-2005-0523 – December 22nd Hearing on PowerStream's CDM Plan

Dear Mr. Zych:

I am writing to you in support of PowerStream Inc.'s Conservation and Demand Management (CDM) Plan, Ontario Energy Board File No. RP-2004-0203. In the text that follows, I outline the Toronto and Region Conservation Authority's (TRCA) interest and activity in energy conservation and sustainable communities; the focus of the TRCA's programs supported by PowerStream's CDM Plan; and the importance of PowerStream's approach to developing long-term CDM programs.

TRCA has had an interest and involvement in energy conservation and renewable energy within the regions of York, Peel and Durham, and the City of Toronto since 1975. The Kortright Centre for Conservation (Vaughan, Ontario) is Canada's largest renewable energy training facility. It is at the centre of TRCA's energy programming to public and private sectors and is currently undergoing a transformation to address the broader issues of sustainable communities as part of The Living City Campus.

The Living City Campus is at the heart of TRCA's efforts in recent years to create a series of sector-based programs targeting improvements in energy and water efficiency, reductions in solid waste generation, use of alternative energy, as well as community design and construction. These new programs are large-scale collaborative initiatives between business, government and civil society that can achieve substantial, measurable improvement in the sustainability of existing and new communities.

The TRCA programs, supported by PowerStream, are focused on the transformation of markets to achieve improved energy efficiency and a long-term culture of conservation. These programs are innovative initiatives that attempt to achieve long-term behaviour change within key sectors, including municipalities, hospitals, school boards, the public and the urban development community. Each program is briefly described below:

Mayors' Megawatt Challenge: The Mayors' Megawatt Challenge brings municipalities together to improve energy efficiency and environmental management in their own buildings. In the program, municipalities are able to benchmark performance with their peers, and share best practices. Through the Mayors' Megawatt Challenge, municipalities also demonstrate leadership, inspiring other organizations and individuals to take action towards healthier, more sustainable communities.

Mayors' Green Building Challenge: The Mayors' Green Building Challenge is a program which improves the energy and environmental performance of new municipal facilities through the identification and support of implementing best practices in green design, commissioning and operations. The program also helps governments and utility companies meet their energy efficiency and environmental goals. They, in turn, provide funding towards the design and operation of greener, more energy efficient municipal buildings, while the benefits are shared by all.

Greening Health Care: Greening Health Care helps hospitals work together to improve the efficiency of their energy and water use, and reduce their generation of solid waste. Their actions reduce costs, contribute to the health and well-being of communities, and demonstrate commitment by the health care sector to fiscal and environmental responsibility.

Sustainable Schools: Sustainable Schools is a program which identifies and evaluates best practices in green design, commissioning and operations, and helps school boards take action to improve the energy and environmental performance of their new and recently-built schools. As well, Sustainable Schools helps governments and utility companies meet their energy efficiency and environmental goals. They, in turn, provide funding to support the design and operation of energy efficient schools, while the benefits are shared by all.

Conservation Culture at Home: PowerStream is partnering with the Kortright Centre for Conservation to develop a series of training workshops and displays designed to engage the residential market. The programs inform, demonstrate and promote practical technologies and practices that will result in lower energy demand. Under the powerwise brand Kortright is highlighting conservation measures in lighting, smart meters, air conditioning and electrical appliances to the 140,000 visitors to the centre annually.

Sustainable House/Sustainable Community Development: The Sustainable House Demonstration Project will design and construct one of the next generation green, or sustainable, houses. The facility will be an interactive demonstration home, highlighting the newest design principles, materials and processes in the residential home building market. Energy and water conservation technologies, site management, materials and processes are a number of the issues that will be addressed in the sustainable house. The final design of the house will reflect - visually and interactively -- features that are currently accepted in today's building market.

We believe PowerStream has taken a strategic approach to the development of CDM programs that is built upon several key principles:

- Partnership and Collaboration
- Innovation
- Market Transformation
- Sector Focus

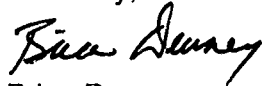
PowerStream is developing strategic partnerships and collaborating with organizations in order to leverage their funding and resources to achieve energy efficiency objectives. PowerStream has partnered with TRCA, the Markham Energy Conservation Office, as well as other local distribution companies through the Coalition of Large Distributors (CLD). Developing programs in partnership with significant, established organizations will help to ensure the success of their CDM Plan.

PowerStream is supporting innovative programs that address both short- and long-term gains in energy efficiency. Programs such as Sustainable Schools and Mayors Megawatt Challenge engage building managers and operators in operational practice that can achieve quick improvements in energy efficiency at little to no cost. As well, these programs engage their participants in design charrettes and energy management planning that achieve longer-term results.

PowerStream is supporting sector-based programs that have the potential to transform markets and contribute significantly to a culture of conservation in Ontario. Under The Living City banner, TRCA has developed a variety of sector-based programs that strive to engage a high percentage of participants in each sector. For example, Greening Health Care, in its first year, engaged nearly half of all hospitals in the Toronto region, including both hospitals in PowerStream's jurisdiction. This level of market penetration allows energy efficient technology and practice to spread quickly within a market sector. Through our partnership with PowerStream, we are delivering programs for five sectors in their community including: municipalities, hospitals, school boards, the public and the urban development industry.

We support PowerStream's approach to developing CDM programs and strongly believe that it will result in significant gains in energy efficiency.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Denney". The signature is fluid and cursive, with the first name "Brian" and last name "Denney" clearly distinguishable.

Brian Denney
Chief Administrative Officer