

Sample of Interrogatory Responses Regarding Targeted Low Income CDM Programs

Hydro One

- CDM budget for this low-income sector, which was approved by the OEB on November 1, 2005, is \$5 million.
- For low-income homeowners, CDM program is the Home Energy Efficiency Grant of \$3,000 per qualifying household. The program is administered by Canada Mortgage and Housing Corporation (CMHC) with assistance from Natural Resources Canada Energuide for Houses. Our contract is for \$1.5M to the end of March 2006, which coincides with the Federal government fiscal year. The Federal Government could not sign contracts for more than one budget year. Therefore the remainder of the program into 2006 must be negotiated later, and we will assess results of the first year's experience in these negotiations.
- For non-homeowners, our CDM program is the Social Housing program. A description of this program was filed in our OEB submission July 8, 2005 (RP-2004-0203/EB-2005-0198), which has been approved. The contract with Social Housing Services Corporation (SHSC), a provincial organization, was signed for three years at \$0.5M for each of 2005, 2006 and 2007, or \$1.5M in total. We have begun discussions with SHSC on choosing buildings for 2006, with an emphasis on York Region.

Toronto Hydro

- As part of its Conservation and Demand Management efforts **Toronto Hydro's** OEB-approved CDM plan includes a Social Housing Program that encompasses low-income homeowners and private building renters. Please refer to page 11 of "Attachment 1" appended in response to GEC Interrogatory #1. Low-income homeowners and private building renters are also encouraged to participate in any other program of Toronto Hydro's approved CDM plan.**[Lien IR Response #1]**;
- Toronto Hydro is focussed on implementing its OEB-approved CDM plan and consequently is not in a position to comment on future plans regarding Low Income and Social Housing Programs at this time.**[VECC IR #3]**

Hydro Ottawa

- **Hydro Ottawa** makes many of our programs available to Social Housing groups—e.g. Canadian Tire Coupon programs, PowerWISE Business Incentive Program (PBIP), refrigerator buy-back program etc.
- Specific programs for low income and social housing groups include:

- *PowerWISE electricity tune-ups*: Hydro Ottawa covers the full \$100 cost of electricity tune-ups for low-income customers. 500 tune-ups are targeted for this program.
- *PowerPlay*: A program to provide energy retrofits to Ontario Works recipients within the City of Ottawa. Hydro Ottawa will invest up to **\$25,000** that will be matched 4 to 1 through the City by the Ontario Government providing a total of \$125,000 for the retrofits. The target is to provide these improvements to 1000 residents with savings of 5 – 10% of the electricity used per residence and a total of 250 kW in demand reduction. This program is currently being implemented and has an educational component as part of an outreach program to get prospective participants to sign up.
- *Electric Avenue*: 14 Non-Profit Community homes will be retrofitted as showcases of energy efficient technologies and initiatives. Ten homes in non-profit community housing groups will be provided with electric thermal storage devices as a market test to determine the potential for further deployment of these units within these groups. The budget is **\$75,000**.
- *Ottawa Community Housing Corporation (OCHC)*: Building and unit assessments are being done for 14,000 Non-Profit Housing units within Hydro Ottawa's franchise territory. This project will provide us with information on these units that we will use for targeting future CDM program in this market segment. The commitment is **\$50,000** in 2006. Hydro Ottawa has worked with the Social Housing Services Corporation (SHSC) on the energy audit program, which includes a free energy audit, data tracking and reporting through an on-line energy management system, and funding including grant money and a low-interest, revolving loan.

Hydro One Brampton

- Hydro One Brampton did not specifically target Low-Income and Social Housing as part of its CDM plan filed January 11, 2005. However, it is our intention to provide for these customers via our Residential Programs.
- At this point there are no plans to formally incorporate a Low Income or Social Housing Program into our existing CDM plan. Any initiatives in the Low Income and Social Housing area would be included as part of our Residential Programs. We have commenced discussion with the Regional Municipality of Peel to review various possible initiatives in 2006. Items being discussed include smart metering for multi residential housing, seasonal LED exchanges and retrofit programs for multi residential housing that may be classified as Low Income or Social Housing.

Horizon Utilities Corporation

- All **Horizon Utilities Corporation** programs targeted at residential customers are available to low income customers such as the Canadian Tire Coupon program. Horizon is in the process of reviewing its CDM plan to include a program dedicated specifically to low income customers.
- Distribution system loss reduction programs benefit all customers Horizon has been in consultation with Share the Warmth to develop a program with \$100,000 of funding specifically for low income customers.

PowerStream

- Although **PowerStream's** CDM Plan does not specifically target low income house owners and private building renters, a number of PowerStream's CDM programs are available to or will result in benefits accruing to low income customers. Such programs include:
 - customer education initiatives under the "Co-branded Mass Market" program (energy saving tips newsletters, establishment and promotion of www.powerwise.ca, etc.);
 - The Fall 2005 Canadian Tire coupon campaign, a "Co-branded Mass Market" program under which all customers were provided with discount coupons redeemable on energy efficient products; and
 - The "Distribution Loss Reduction" program which will reduce distribution system losses o the financial benefit of all customers.
- In addition to the above, PowerStream is investigating the feasibility of implementing a project within the Mass marketing program along the lines of the compact fluorescent light distribution initiative recently announced by Cambridge and North Dumfries Hydro Inc., and in partnership with local community food banks.
- PowerStream has contributed funds to the Social Housing Service Corporation to assist in its activities. PowerStream is currently discussing potential projects with Social Housing Services and the LIEN group.

Veridian

- **Veridian** does not have individual CDM programs that are exclusively targeted at low income and private renter customers. However, a number of Veridian's programs are available and/or will bring benefits to these customer segments.
- For example

- Customer education initiatives under the Co-branded Mass Market program (energy saving tips newsletters, establishment and promotion of www.powerwise.ca, etc.);
 - The Fall 2005 Canadian Tire coupon campaign, a Co-branded Mass Market program under which all customers were provided with discount coupons redeemable on energy efficient products.
 - The Distribution Loss Reduction program, which will reduce distribution system losses to the financial benefit of all customers.
- Veridian did not seek OEB approval for an exclusive low-income homeowner and private building renter CDM program on the basis that other programs provide the flexibility to address the needs of these customer segments.
 - Veridian continues to monitor and explore opportunities to use its current programs to target the low income and social housing sectors. For example, the potential to adopt Cambridge and North Dumfries Hydro Inc.'s recently-announced compact fluorescent light distribution program in partnership with community food banks, is being explored within the context of Veridian's Co-branded Mass Market Program. And, social housing agencies are being specifically targeted as potential beneficiaries of the powerWISE Business Incentives Program, which is being delivered under the Leveraging Energy Conservation and/or Load Management program.

Brantford Power

- A recognized industry leader in the development and delivery of electricity conservation programs, Brantford Power designed and implemented its Conserving Homes. Electricity conservation pilot program, delivered specifically to low income households.
- The Conserving Homes pilot program is based on the Low Income Energy Network [LIEN] template for low-income households and is delivered in partnership with Share the Warmth. The pilot program targets 100 low income households including homeowners and tenants who directly pay their own utility bills and provides at no cost to the household, a home energy assessment and, as identified by the assessment, installation of basic and deeper electricity conservation measures. To qualify for the pilot program, households must have an account with Brantford Power in the name of someone in the household and have an income, which is at, or below, Statistics Canada's pre-tax, post-transfer Low-income Cut-off (LICO). Basic measures involve the installation of compact fluorescent bulbs including the removal and disposal of incandescent light bulbs as well as other measures like installing water heater blankets and providing clothes racks and pins. Deeper measures may include installation of the energy efficient refrigerators with removal and proper disposal of the old appliance or building envelope improvements. Consumer education is a critical component of

the Conserving Homes program and is delivered at both the assessment and installation phases.

- Third tranche (2005) target spending on this initiative is forecast at \$120,000 - of this, program development and start-up costs account for \$40,000, and program delivery costs account for \$80,000.
- As TRC net benefit calculations have not been completed, an estimate of savings is not available at this time.
- Subject to clarification of the intent and impacts of the Minister of Energy's directive to the Ontario Power Authority dated October 6, 2005 regarding conservation and demand-side management initiatives [see Attachment 5, (reproduced below)] and subsequent to an evaluation of the 2005 pilot project, which will be filed as part of the Annual Report to the Ontario Energy Board, Brantford Power plans to continue the Conserving Homes program in 2006 at a projected expenditure level of \$100,000 representing a 20% increase over 2005 spending for actual program delivery. In the analysis of the 2005 pilot project, Brantford Power will evaluate modifications and impacts to expand the 2006 program specifically to include participants residing in social housing.

Attachment 5 to Brantford Power response to VECC Interrogatory No.3:

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DIRECTION

To: Ontario Power Authority

Attention: Mr. Jan Carr, Chief Executive Officer

Re: Conservation and Demand-Side Management Initiatives (Residents of Low-Income and Social Housing)

I write in connection with my authority as the Minister of Energy in order to exercise the statutory power of ministerial direction which I have in respect of the Ontario Power Authority (the "OPA") under subsection 25.32 (4) of the *Electricity Act, 1998* (the "Act"), in order to direct the OPA to assume responsibility for the Ministry of Energy's (the "Ministry") initiatives relating to energy conservation and demand-side-management ("CDM") in regards to residents of low-income and social housing.

The Ministry has, for the past two years, been pursuing a set of conservation initiatives that specifically address the needs of residents of low-income and social housing. These initiatives have included the funding, through the Ministry's Conservation Partnerships Program, of four conservation programs targeted for residents of low-income and social housing, as set out below:

- The "*Social Housing Energy Management Pilot Program*" ("SHEMPP"), a pilot program currently operating to provide a comprehensive energy management strategy designed for social housing service providers;
- The "*Low Income Conservation Education Program*", a tenant-to-tenant education and outreach program being piloted in certain social housing residential complexes across Ontario;
- The "*Conserving Homes*" Program, which was initially designed to be an energy conservation program for low-income households and which is currently being piloted by a local distribution company (or "LDC"); and,
- "*Low-Income Demand-Side Management ("DSM") Strategies for LDCs*", a set of studies prepared for LDCs which are intended to assist them in formulating strategies to address the conservation needs of low-income customers.

Recently, the Ministry has created its own new low-income CDM initiative, by approving an expansion of the Ministry's role in SHEMA to include conservation and DSM strategies for residents of low-income households, adding this facet to SHEMA's existing mandate of addressing the consumption of residents of social housing. This new initiative (the "Ministry's Low-Income CDM Initiative") is the basis for this direction to the OPA.

Therefore, pursuant to the authority granted to me under subsection 25.32(4) of the Act, I hereby direct the OPA to assume, effective as of the date of this letter of direction, responsibility for the Ministry's Low-Income CDM Initiative, and to further pursue this initiative which is designed to address the consumption of residents in low-income and social housing, such CDM initiative having been previously pursued by the Crown.

More particularly, it is expected that the OPA will commence implementation by no later than the summer of 2006, through such procurement contracts and activities as the OPA determines to be advisable, a program based on the Ministry's Low-Income CDM initiative, that will reduce overall electrical energy consumption and demand by residents of low-income and social housing by up to 100 Megawatts ("MW"). It is also expected that the Program will result in longer-term reductions in electricity peak demand, particularly by reducing the use of inefficient appliances by such residents. It is further expected that the Program will include a comprehensive package of energy efficiency measures that are designed to address these goals.

This Direction shall be effective and binding as of the date hereof.

Dated: October 6, 2005



Dwight Duncan
Minister of Energy