

July 18, 2005

Mr. John Zych
Board Secretary
Ontario Energy Board
2300 Yonge St., 26th Floor
Toronto, ON M4P 1E4

Dear Mr. Zych:

Re: Comments on the TRC Guide

The Electricity Distributors Association (EDA) would like to provide some comments it received from members on the Draft Guide to Total Resource Cost Analysis, dated July 6, 2005. In general the Guide provides an excellent summary of the issues to be considered in determining the net benefit of CDM programs, and as such will be very useful to distributors when preparing their submissions to the Board.

The overview notes that distributors are free to use other techniques and data where appropriate, with evidence to justify the alternative technique or data. This flexibility should address concerns that some distributors may have with the data assumptions provided. Nevertheless, it should be noted that some distributors have questioned the default value of 30% for the free rider rate of custom projects, and have asked that consideration be given to revisiting this default value for this period of ramping up programs.

The draft Guide provides two examples in Appendix B. It has been suggested that additional examples for a range of situations may be useful. Some additional examples could address a few typical market support programs demonstrating how the benefits could be quantified based on the applicable metric. Another example could demonstrate how to quantify the benefits of an air conditioning or electric water heater load control system that is used to reduce system peaks.

The EDA looks forward to the TRC Guide being finalized soon and would encourage the Board to consider providing additional guides on CDM filing requirements as the need arises.

Yours truly,

Maurice Tucci
Senior Analyst

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