



Cornerstone Hydro Electric Concepts Association Inc.

CHEC-RP-2004-0203/EB-2004-0502

Conservation and Demand Annual Report

1.0 Introduction:

This report summarizes the activity and successes of the Cornerstone Hydro Electric Concepts (CHEC) Group with respect to conservation and demand management undertaken in 2005. Included in this document are the sixteen (16) individual reports from the CHEC members that discuss their specific program activities and the associated insights of the members.

Consistent with CHEC members' cooperative effort to seek approval of their CDM plans as a combined group, the Annual Report reflects their commitment to work together to provide cost effective programs and to share and learn from each other's experience. Although this report is submitted as one document it is clear from the individual reports that each utility brings its own perspective and goals to the CDM activities.

Within the 16 utilities there have been a total of ninety-two (92) initiatives. These initiatives represent projects specific to individual utilities and others that are similar or a cooperative effort between utilities (Conservation Website, EnergyShop.com). Some utilities have focused on promoting and providing energy efficient technology to their customers with the associated kWh savings, while others have been more focused on laying the foundation for future programs. To achieve the "conservation culture", the overriding goal in Ontario, both types play an important role.

CHEC with its dynamic relationship, positions members well to learn from and leverage the experience of others. The combined report as well as meeting the regulatory requirement, provides a comprehensive summary to CHEC members. This report will help to provide additional insights, as utility staff plan and implement the 2006 and 2007 programs.

The experiences gained in 2005 will be invaluable for the continued development of CDM and the ability to move forward programs that save energy and develop the conservation culture. The experiences gained over 2005 add to the collective knowledge of the industry and sets the stage for on-going improvement in the development, delivery, monitoring and reporting of CDM initiatives.

2.0 CHEC Members:

The 2005 Annual Report on Conservation and Demand Management Activities of the following utilities are included in this report:

Centre Wellington Hydro Ltd.	Collus Power Corp
Grand Valley Energy Inc.	Innisfil Hydro
Lakefront Utilities Inc.	Lakeland Power Distribution
Midland Power Utility Corp.	Orangeville Hydro Ltd
Orillia Power Distribution Corp.	Parry Sound Power
Rideau St. Lawrence	Wasaga Distribution Inc.
Wellington North Power Inc.	West Coast Huron Energy Inc.
Westario Power	Woodstock Hydro Services

3.0 Evaluation of the CDM Plan:

Total Portfolio: The 16 CHEC members collectively ran a total of 92 programs. These programs fell within three categories:

- Savings: Delivery of energy saving products or processes: coupons, rebates, free products, etc.
- Education: Providing general energy management information through such activities as: website development, workshops, brochures, etc,
- Foundation: Preparatory work for future programs that include: program research and development, energy audits, system studies, demonstration projects, partnerships, etc.

The program results represent a total energy savings of 29,760,749 kWh at a combined “Utility Cost” of \$908,387 or approximately 3c/kWh. This low cost of energy saved was achieved while providing both education and foundation building programs in addition to the specific initiatives aimed at savings kWh. To put the energy savings in perspective the 29.7 Million kWh represent the annual energy required by 2,400 homes (at 1000 kWh/month).

Figure 1 and Figure 2 illustrates the breakdown of the programs into the three types. From the figure it can be seen that cost and activity generally correlate. Programs aimed at immediate kWh savings represent 36% of the cost while they represent 27% of the programs delivered during the year. Education and Foundation programs, that are expected to return improved kWh savings in the future, represent 64% of the cost and 73% of the activity. **From the spending and activity level in the different categories it can be seen that 2005 while providing energy savings has focused on preparing for year two and three of CDM delivery.**

Figure 1

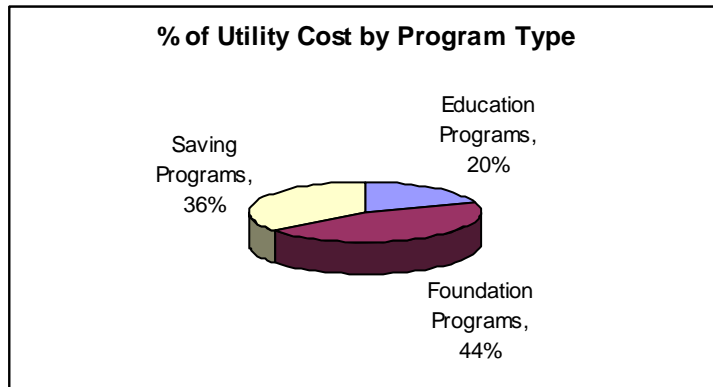
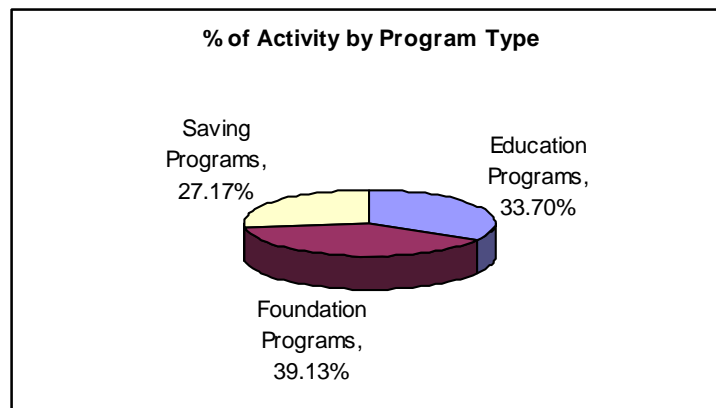


Figure 2



Savings Programs: The programs aimed at immediate results focused on energy savings rather than peak demand. The average cost of energy saved through the “Energy Savings” programs was 1.1c/kWh.

The use of product incentives and give-a-ways contributed significantly to achieving immediate energy savings. Programs such as the “Lighten Your Electricity Bill” and local product incentives such as CFL distribution programs resulted in energy savings throughout the membership. The wide scale programs provided an economy of scale while the local programs built on relationships and resources within the community. The product focused programs represented a utility cost of \$163,400 and a lifetime energy savings of 15,692,800 kWh or 1.1c/kWh.

Four system optimization projects (out of a total of twelve) involved field changes completed in 2005 that captured energy savings. The four field projects represent a utility cost of \$163,300 and a lifetime energy savings of 12,793,000 kWh or 1.3c/kWh (note: one program pending review to confirm savings).

Education Programs: These programs while not generating any immediate savings represent the future of CDM within the Province. Incentive programs while providing immediate savings cannot on their own change behaviour within the customer group. Programs aimed at increasing the customer's knowledge of energy use is required if long term savings are desired. As the saying goes – If you give a person a CFL you provide energy savings for 4 years. If you provide a person with the knowledge to save energy you provide energy savings for a lifetime. This is the role of the education programs.

Twenty percent of the total utility cost was spent on providing education to the customers. The activities within this classification vary from providing brochures to detailed customer workshops. Although the results of these programs are not immediate it is believed that they will impact positively on customer participation in future programs and prepare customers to make informed decisions with regards to energy use.

CHEC is in the process of developing a website focused on energy conservation. The website in addition to providing energy management knowledge to the customers will also allow the effective exchange of CDM information between CHEC members. The website funding includes dollars to allow the CHEC membership to engage external resources to assist in developing the site and also assist members with CDM issues of common interest.

It is interesting to note in the “Education” section the experience of one CHEC member (Orillia) with success from an industrial workshop. As a direct result of a “Dollar to Sense” workshop changes were made in an industrial setting that resulted in quantifiable savings. These results were captured because the customer communicated the action and potential energy savings to the utility. The savings of 255,000 kWh annually, clearly illustrates the role “education” can play in obtaining significant energy savings.

Foundation Program: These programs are those initiatives aimed at developing programs that will provide savings in the future. Thirty nine percent of the programs (44% of utility cost) focused on research and development of programs that will be delivered in year two and three of the CDM Plan. At the end of the reporting period however the programs have not been rolled out or have not generated any savings to date. For the purpose of reporting, projected savings have generally not been utilized.

Foundation Programs include initiatives such as: system optimization studies, smart meter preparation, customer audits, demonstration projects and relationship building, to name a few. Unlike education, where the activity is geared to the customer, these programs are aimed at ensuring the appropriate information and processes for the CDM activity of future years. Approaching the end of the first quarter of 2006 it is apparent that there are a number of programs that are moving

forward as a direct result of the foundation work completed in 2005 (e.g. Woodstock finance plan, Orangeville Reduce the Juice)

Net TRC Results: The net TRC result of the combined CHEC CDM activity for 2005 is \$499,756. Although a large number, it is difficult to determine if this represents good success of the overall portfolio. While net TRC measures the dollar benefits of avoided electrical energy cost it does not measure the education and development work that is associated with an on-going CDM program.

Reviewing the individual reports of the CHEC members indicates that ten of the members had positive Net TRCs while six had negative Net TRCs. In isolation one may conclude that anything but a positive TRC is undesirable. However it is proposed that the TRC for the first year of a multi-year program does not reflect the overall value of the effort undertaken and that the overall activity of the utility should be taken into account.

As noted above there has been a significant amount of education and foundation work undertaken by CHEC members. The individual reports indicate a mix of approaches with some focusing on preparatory work, others on immediate deliverables and others on a mix of programs. Depending on the success of programs aimed at delivering immediate savings and the cost of education and foundation programs the Net TRC will vary. **Through the sharing of program information and outcomes CHEC members will be able to learn from each others' experiences to continue to deliver effective CDM programs in the future.**

4.0 Discussion of Programs:

The individual program discussions from each utility should be examined. These discussions provide the individual utility perspective on the programs as offered in their service territory. The complete Annual CDM Report for each utility is included in the appendices. One copy of the SeeLine Total Resource Cost Test Assessment of the '2005 Lighten Your Electricity Bill' Program is also included in the appendices as a sample of the program evaluation process for the coupon program as reported in CHEC members' reports.

5.0 Lessons Learned:

Each utility report included in the attached appendices includes lessons learned from the 2005 CDM experience for each utility. Although a flavour of the "lessons learned" is summarized in this section the reader is encouraged to review the individual reports for additional insights.

Application of TRC: This report represents the first large scale application of TRC for the evaluation of CD&M programs in Ontario. The TRC model, while forming a base, is seen to encourage “quick return” programs and does not provide any measure of foundation or education programs that are so critical to developing a “conservation culture”. It is believed that for future year evaluation of CDM activities the TRC tool needs to be expanded to take into account education and foundation type programs.

Familiarity has been gained with the TRC tool over the past reporting year. The OEB’s initiative to provide a set of assumptions assisted with the evaluation of programs and reporting. The need to continue to refine and add to the list of assumptions for cost effective evaluation is evident. The evaluation process for programs also fails to capture additional activities of customers that are driven through exposure to programs where consumers are not directly taking advantage of a particular coupon or rebate.

Experience gained in reporting the activities of 2005 also indicates the need to ensure that measures of programs are understood at the program design stage. For education programs, in addition to some modification of the TRC model to better recognize the benefits of these programs, mechanisms for obtaining feedback from customers is required. These mechanisms however must be cost effective.

Funding: There remains significant third tranche dollars for the continued delivery of CDM programs in 2006 and potentially 2007. However, if CDM is to continue members will be required to submit applications for additional CDM expenditures. A simplified approval process is required to allow utilities to obtain appropriate CDM funding without being encumbered with a full rate hearing on these items. In addition, as noted above, the TRC tool requires modification to provide value to education and foundation programs. A continued lack of recognition of the value of these types of programs will focus utilities on programs that deliver immediate positive TRC result, a condition that will not foster a “conservation culture”.

Partnerships and Sharing: CHEC by its’ very existence is about partnerships and sharing. CHEC members are working together to move forward CDM in their service territories. In addition CHEC members have been active participants in local and provincial wide initiatives to build relationships and take advantage of scale. It is believed through these types of endeavours, the “best bang for the buck” can be achieved for the customer.

Province wide initiatives are generally supported by CHEC members as a good way to enter into partnerships with the OPA, manufacturers, contractors, and retail outlets in order to deliver cost effective programming. Within these programs the ability to provide local support and branding is important to allow the existing positive relationship that the local utility enjoys with its customers to be leveraged.

Foundation Year: Many of the CHEC members note in their report the “foundation building” nature of 2005. The ability of the industry to come up to speed is noted as well as the development of programs and guidelines associated with CDM. All CDM participants have been learning over 2005.

Much of the work completed in 2005 sets the stage for the next two years. With a mix of delivered savings, education and investigation of programs CHEC and the industry have prepared for continued CDM over the next two years and beyond.

Customer Readiness: The success of the residential programs offered to customers indicates the readiness of customers to take action to control their energy use and costs. Obtaining resources for utilities to design and deliver commercial and industrial programs requires further attention. The energy savings within these sectors can be extensive, however the lead time for design, delivery and customer implementation is much longer. Members recognize that much of the issue with this sector is the limited resources (time and money) the customers have to put on energy management. Successfully meeting the needs of this sector will require further effort and sharing of projects that have proved successful.

Utility Resources: To-date utilities have not generally increased internal resources to address the CDM portfolio. Utilities have worked the additional CDM demands into existing work loads by placing other issues at a lower priority. Continuation of this arrangement is not sustainable over the long term. Recognition of the impact that continued CDM programming has on resources is required in both the funding and reporting requirements. As noted above under “Funding” a simplified method for accessing CDM funding is required to ensure the appropriate resources are put in place to support the appropriate level of CDM activity.

6.0 Conclusion:

The first year of CDM has been a learning or foundation year. The CHEC members look back on their projects to date and recognize there has been significant learning. As the individual reports indicate there continues to be a commitment to CDM with utilities looking to capture future benefits from the work done in 2005.

CHEC members have delivered energy savings while increasing the collective knowledge of the CDM industry. CHEC members have demonstrated a willingness to be fully engaged in the process. Through the continued sharing of information and programs between members and other organizations, CHEC will continue to play an important role in the design, delivery and reporting of CDM for the benefit of their customers.

7.0 Appendices:

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Appendix A - Evaluation of the CDM Plan

	Total	Residential	Commercial	Institutional	Industrial	Agricultural	LDC System				
Net TRC value (\$):	\$499,756										
Benefit to cost ratio:	1.582										
Number of participants or units delivered:	115,815.00	Summary of CHEC Appendices A									
Total KWh to be saved over the lifecycle of the plan (kWh):	29,760,746.70	Detailed A's follow for all CHEC Utilities									
Total in year kWh saved (kWh):	3,048,702.30	Utilities arranged alphabetically									
Total peak demand saved (kW):	329.19										
Total kWh saved as a percentage of total kWh delivered (%):											
Peak kW saved as a percentage of LDC peak kW load (%):											
Gross in year C&DM expenditures (\$):	\$908,385.27										
Expenditures per KWh saved (\$/kWh)*:	\$0.0305										
Expenditures per KW saved (\$/kW)**:	\$2,759.4849										

INTRODUCTION

Innisfil Hydro Distribution Systems Ltd (IHDSL) is submitting its Annual Report on the progress made in applying the third tranche (\$191,000) monies to conservation and demand management programs. Attached to this report is Appendix A – Evaluation of the CDM Plan, along with Appendix B – Discussion of the Program for the individual programs. IHDSL has submitted its conservation and demand management plan with the CHEC Group and has received a final order dated February 8, 2006 approving spending on the following programs:

DISCUSSION OF PROGRAMS:

#1. NAME OF PROGRAM: Conservation Website

The intent of this program is to initiate an active conservation culture. A common conservation website is a significant avenue of opportunity to educate, inform, advertise and reach out to energy consumers. Using economies of scale the website costs are shared with other members of the CHEC group and the increased buying power of the group will leverage more value to customers and shareholders. The administration costs of the CHEC group Coordinator has been included within this program

A conservation website is a significant avenue of opportunity to educate, inform, advertise and reach out to energy consumers. Development and maintenance costs would be shared as would contribution requirements resulting in a more robust and interactive website. This website would also be linked to IHDSL's main website which would be enhanced by the availability of the combined resources. Components of the website would range from energy savings concepts to various industries and load profile services.

TOTAL PROGRAM COST: \$13,500.00

**COSTS INCURRED
At December 31, 2005: \$ 7,243.34**

#2. NAME OF PROGRAM: Education and Promotion

The intent of this program is to further create a foundation of an active conservation culture. Engaging the community as a whole and fostering the conservation culture through educating are the expected yield from the program. Using economies of scale the education and promotion costs are shared with other members of the CHEC group and the increased buying power of the group will leverage more value to customers and shareholders. Education brochures produced by the Ministry of Energy – "Conserve Energy and Save Money". These were purchased and provided to all residential and general service customers within our distribution territory.

TOTAL PROGRAM COST: \$16,500.00

**COSTS INCURRED
At December 31, 2005 \$12,924.66**

#3. NAME OF PROGRAM: Partnership/Sponsorship Programs

The intent of this program is to target residential customers through financial incentives for more energy efficient appliances. Program design included highlights of potential savings by appliance, procurement direction etc. Savings for these depend on the needs and use of the appliances and the user to limit use or alter comfort and convenience.

This program will be rolled out in stages. IHDSL has completed the Fall 2005 program and is looking to initiate the next installment mid 2006 based on the success of the Fall 2005 program.

There is considerable evidence that purchase of CFLs and SLEDs caused by the program was considerably higher than coupons redeemed. This is often referred to as Free Drivership and is the philosophical opposite of Free Ridership. CDM results are discounted by 10% for Free Riders; customers who had planned to buy the product making the discount coupon unnecessary. Free Drivership accounts for customers the program influenced to purchase a product, and in fact bought more products than coupons redeemed, or purchased without a coupon.

This effect is seen in the 2005 Lighten Your Electricity Bill program, but has not been quantified. The OEB has not yet ruled on the acceptability of Free Drivership, and as such this was not included in our calculated savings numbers. However, it is important to recognize free drivership as a valid indicator of CDM program success in the development of the conservation culture in Ontario.

Program coupons redeemed at CTC stores

CFLs	51,875
SLEDs	51,605

Canadian Tire Year Sales Increase – Oct 1 to Dec 31 – 2005 versus 2004

CFLs	125,820
SLEDs	248,898

Post program market research results. Average number of packages purchased when using a coupon

CFLs	4.1 packages
SLEDs	3.4 packages

These averages are supported by a review of a sample of sales receipts submitted by Cdn Tire stores when redeeming coupons. The result of the above shows the impact of this program in addition to the coupons redeemed.

TOTAL PROGRAM COST: \$25,000.00

COSTS INCURRED

At December 31, 2005: \$ 5,528.00

#4. NAME OF PROGRAM: System Optimization & Implementation

The intent of this program is to target reductions in distribution system losses. The overall benefits of this program will be to identify and implement projects that will improve/reduce distribution system losses and improve system efficiency. Supporting corrective action by taking direct control over an upgrade resulted in system demand reductions and relieves network capacity, on both a local and system wide basis.

By performing a study for voltage conversion IHDSL was able to determine the benefits of increasing the distribution system voltage which resulted in lower line losses.

TOTAL PROGRAM COST: \$23,000.00

**COSTS INCURRED
At December 31, 2005: \$ 3,534.87**

#5. NAME OF PROGRAM: Smart Metering

Pilot studies will be conducted to investigate applicability and optimum introduction of smart meters. Steps are to include the ongoing evaluation of technologies appropriate for retrofit applications including, literature and product reviews, meetings, technical and economic assessment along with the development of the plan.

IHDSL, along with other members of the CHEC group have joined the OUSM group, who has coordinated the multiple technologies. This will provide IHDSL with the ability to gain access to documented test results from a variety of vendors that were all tested using exactly the same testing process. This has provided economies of scale as ultimately all LDCs will need to compare and spend time separating the claims of vendors from the actual services and deliverables they can provide. The ability to share information and questions with other members of the group provide additional benefits in the implementation planning as well as customer education and systems integration issues.

TOTAL PROGRAM COST: \$31,000.00

**COSTS INCURRED
At December 31, 2005: \$ 5,128.28**

EVALUATION OF CDM PLAN:

See attached Appendix "B" for each program above-noted and Appendix "A" an Evaluation of the overall CDM Plan.

LESSONS LEARNED and GENERAL COMMENTS:

1. IHDSL has successfully saved 891,738 kWh over the lives of the 5 programs currently being reporting. This translates to an estimated 79,460 kWh annually.
2. IHDSL has successfully reached/delivered 27,763 participants as part of the CDM programs for 2005.
3. The net TRC in 2005 for IHDSL is a positive value of \$3,201. The coupon program and system optimization programs generated a favourable TRC of \$28,497. The remaining programs generated a negative TRC value of \$25,296. When creating a foundation of an active conservation culture costs are incurred to educate the masses of the different aspects of conservation and demand management such as brochures, web site development, program management etc.
4. Overall expenditures per kWh saved are \$0.04 based on the 2005 programs. IHDSL will to continue fostering CDM programs, opportunities and partnerships within the Electricity community of the Ontario
5. As smart metering implementation becomes reality, IHDSL believes that the combined focus of the UtilAssist OUSM Group has provided great economies of scale for the smaller LDCs. Through this group we are able to test various technologies and develop standards as a group as opposed to "going it alone".
6. Several of IHDSL's programs are in the development stage for 2005 and will set the foundation for future program development.

Yours truly,



George Shaparew
President

Appendix A - Evaluation of the CDM Plan

	Total	Residential	Commercial	Institutional	Industrial	Agricultural	LDC System	Other 1	Other 2	Other 3	Other 4
<i>Net TRC value (\$):</i>	\$3,201	\$8,329	-\$5,128								
<i>Benefit to cost ratio:</i>	1.09	1.27	-								
<i>Number of participants or units delivered:</i>	27,763	27,738	25								
<i>Total kWh to be saved over the lifecycle of the plan (kWh):</i>	891,738	891,738									
<i>Total in year kWh saved (kWh):</i>	79,460	79,460									
<i>Total peak demand saved (kW):</i>	0.50	0.50									
<i>Total kWh saved as a percentage of total kWh delivered (%):</i>	0.04%	0.04%									
<i>Peak kW saved as a percentage of LDC peak kW load (%):</i>	0.00%	0.00%									
<i>Gross in year C&DM expenditures (\$):</i>	\$34,059	\$28,931	\$5,128								
<i>Expenditures per kWh saved (\$/kWh)*:</i>	\$0.04	\$0.03									
<i>Expenditures per kW saved (\$/kW)**:</i>	7,069.74	7,069.74									
<i>Utility discount rate (%):</i>	8.56										

*Expenditures include all utility program costs (direct and indirect) for all programs which primarily generate energy savings.

**Expenditures include all utility program costs (direct and indirect) for all programs which primarily generate capacity savings.

Appendix B - Discussion of the Program

(complete this section for each program)

A. **Name of the Program:** Education and Promotion

Description of the program (including intent, design, delivery, partnerships and evaluation):

To create a foundation of an active conservation culture by engaging the community as a whole and fostering the this culture through educating energy customers. Education brochures produced by the Ministry of Energy-"Conserve Energy and Save Money". These were purchased and provided to all residential and general service customers.

Measure(s):

	Measure 1	Measure 2 (if applicable)	Measure 3 (if applicable)
Base case technology:	0		
Efficient technology:	0		
Number of participants or units delivered:	13,500.00		
Measure life (years):	0.00		

B. TRC Results:

TRC Benefits (\$):		\$	-	
Measure's Costs (\$):				
	Utility program cost (less incentives):	\$	12,924.66	Includes Discounted Measures Cost
	Participant cost:	\$	-	0
	Total TRC costs:	\$	12,924.66	
Net TRC (in year CDN \$):			-\$12,924.66	
Benefit to Cost Ratio (TRC Benefits/TRC Costs):			0.00	

C. Results: (one or more category may apply)

Conservation Programs:

Demand savings (kW):	Summer		0.00
	Winter		0.00
		lifecycle	in year
Energy saved (kWh):		0.00	0.00
Other resources saved :			
Natural Gas (m3):		0	0
Water (l)		0	0
Expenditures per kWh Saved (\$/kWh)		#DIV/0!	
Expenditures per kW Saved (\$/kW)		#DIV/0!	

Demand Management Programs:

Controlled load (kW)	
Energy shifted On-peak to Mid-peak (kWh):	
Energy shifted On-peak to Off-peak (kWh):	
Energy shifted Mid-peak to Off-peak (kWh):	

Demand Response Programs:

Dispatchable load (kW):	
Peak hours dispatched in year (hours):	

Power Factor Correction Programs:

Amount of KVar installed (KVar):	
Distribution system power factor at beginning of year (%):	

Distribution system power factor at end of year (%):

Line Loss Reduction Programs:

Peak load savings (kW):

lifecycle *in year*

Energy savngs (kWh):

Distributed Generation and Load Displacement Programs:

Amount of DG installed (kW):

Energy generated (kWh):

Peak energy generated (kWh):

Fuel type:

Other Programs (specify):

Metric (specify):

D. Program Costs*:

<i>Utility direct costs (\$):</i>	<i>Incremental capital:</i>	\$	-	
	<i>Incremental O&M:</i>	\$	12,924.66	Includes Measure's Cost - ensure full cost of measure entered in TRCIL15
	<i>Incentive:</i>	\$	-	
	<i>Total:</i>	\$	12,924.66	
 <i>Utility indirect costs (\$):</i>	 <i>Incremental capital:</i>	 \$	 -	
	<i>Incremental O&M:</i>	\$	-	
	<i>Total:</i>	\$	-	
 <i>Total Utility Cost of Program</i>		 \$	 12,924.66	
 <i>Participant costs (\$):</i>	 <i>Incremental equipment:</i>	 \$	 -	
	<i>Incremental O&M:</i>	\$	-	0
	<i>Total:</i>	\$	-	
 <i>Grand Total Program Cost</i>		 \$	 12,924.66	

E. Comments:

*Please refer to the TRC Guide for the treatment of equipment cost in the TRC Test.

Appendix B - Discussion of the Program

(complete this section for each program)

A. **Name of the Program:** Coupon Program - 2005 Lighten Your Electricity Bill

Description of the program (including intent, design, delivery, partnerships and evaluation):

Coupon program offering rebates to residential customers on a range of energy efficient technologies. Project a conservation initiative coordinated by EnergyShop.com on behalf of 32 local distribution companies. Program utilized Canadian Tire Corporation as the retailer with stores across Ontario. Coupons were delivered as mailing insert directly to the residential accounts. Each coupon had a tracking code to be able to apply the costs and credits to the appropriate LDC. Monitoring of program results accomplished by the coupons returned and evaluation of the product purchased by EnergyShop.com.

Measure(s):

	CFL Bulb	Seasonal Lighting	Programmable Therm.	Timers	Ceiling Fans	Home EnerGuide
Base case technology:	60 W incandescent	C-7 and mini Xmas lights	Standard Thermostats	No timer	No fan	No Assessment
Efficient technology:	15 W CFL	LED Xmas lights	Programmable Thermostat	Programmable Timer	Ceiling Fans	Assessment
Number of participants or units	493	186	33	35	10	0
Measure life (years):	4	30	18	20	20	25

B. TRC Results:

TRC Benefits (\$):	\$	34,749
TRC Costs (\$):		
Utility program cost (less incentives):	\$	2,780.00
Participant cost:	\$	3,918.00
Total TRC costs:	\$	6,698.00
Net TRC (in year CDN \$):	\$	28,051.00
Benefit to Cost Ratio (TRC Benefits/TRC Costs):	\$	5.19

C. Results: (one or more category may apply)

Conservation Programs:

Demand savings (kW):	Summer		
	Winter		
	lifecycle		in year
Energy saved (kWh):	775,012.50		74,791.20
Other resources saved :			
Natural Gas (m3):			
Other (specify):			
Expenditures per kWh Saved (\$/kWh)	\$	0.0067	
Expenditures per kW Saved (\$/kW)		#DIV/0!	

Demand Management Programs:

Controlled load (kW)	
Energy shifted On-peak to Mid-peak (kWh):	
Energy shifted On-peak to Off-peak (kWh):	
Energy shifted Mid-peak to Off-peak (kWh):	

Demand Response Programs:

Dispatchable load (kW):	
Peak hours dispatched in year (hours):	

Power Factor Correction Programs:

Amount of KVar installed (KVar):		
Distribution system power factor at beginning of year (%):		
Distribution system power factor at end of year (%):		

Line Loss Reduction Programs:

Peak load savings (kW):		
	<i>lifecycle</i>	<i>in year</i>
Energy savngs (kWh):		

Distributed Generation and Load Displacement Programs:

Amount of DG installed (kW):	
Energy generated (kWh):	
Peak energy generated (kWh):	
Fuel type:	

Other Programs (specify):

Metric (specify):	
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D. Program Costs*:

Utility direct costs (\$):	Incremental capital:	\$	-
	Incremental O&M:	\$	2,780.00
	Incentive:	\$	2,748.00
	Total:	\$	5,528.00
Utility indirect costs (\$):	Incremental capital:		0
	Incremental O&M:		0
	Total:		0
Participant costs (\$):	Incremental equipment:	\$	-
	Incremental O&M:	\$	3,918.00
	Total:	\$	3,918.00

E. Comments:

For the details of assumptions associated with this program please see the SeeLine Report in Appendix C. Within the December 2005 quarterly reporting of CDM expenditures for the Partnership/Sponsorship program to the OEB, no costs are being reported. Within the utility direct costs of \$5,528.00 reported above, \$4,082.66 was recorded through the LDC's financial records in 2006. The remaining \$1,145.34 reported as utility direct costs was incorrectly classified as a Customer Survey costs. The \$1,145.34 costs are part of this Coupon Program. The 2006 costs and the coding correction between programs will be relected in the March 2006 CDM quarterly reporting to the OEB.

*Please refer to the TRC Guide for the treatment of equipment cost in the TRC Test.

Appendix B - Discussion of the Program

(complete this section for each program)

A. **Name of the Program:** Smart/Interval Metering

Description of the program (including intent, design, delivery, partnerships and evaluation):

Pilot studies to be conducted to investigate applicability and optimum introduction of smart meters. Through joining the OUSM group, this provides IHDSL an ability to gain access to documented test results from a variety of vendors. IHDSL will also be providing interval meters to GS>50 customers in order to education on conservation and demand load shifting.

Measure(s):

	Measure 1	Measure 2 (if applicable)	Measure 3 (if applicable)
Base case technology:	0		
Efficient technology:	0		
Number of participants or units delivered:	25.00		
Measure life (years):	0.00		

B. **TRC Results:**

TRC Benefits (\$):		\$	-	
Measure's Costs (\$):				
	Utility program cost (less incentives):	\$	5,128.28	Includes Discounted Measures Cost
	Participant cost:	\$	-	0
	Total TRC costs:	\$	5,128.28	
Net TRC (in year CDN \$):			-\$5,128.28	
Benefit to Cost Ratio (TRC Benefits/TRC Costs):			0.00	

C. **Results:** (one or more category may apply)

Conservation Programs:

Demand savings (kW):	Summer	0.00
	Winter	0.00
	lifecycle	in year
Energy saved (kWh):	0.00	0.00
Other resources saved :		
Natural Gas (m3):	0	0
Water (l)	0	0
Expenditures per kWh Saved (\$/kWh)	#DIV/0!	
Expenditures per kW Saved (\$/kW)	#DIV/0!	

Demand Management Programs:

Controlled load (kW)	
Energy shifted On-peak to Mid-peak (kWh):	
Energy shifted On-peak to Off-peak (kWh):	
Energy shifted Mid-peak to Off-peak (kWh):	

Demand Response Programs:

Dispatchable load (kW):	
Peak hours dispatched in year (hours):	

Power Factor Correction Programs:

Amount of KVar installed (KVar):	
Distribution system power factor at beginning of year (%):	

Distribution system power factor at end of year (%):

Line Loss Reduction Programs:

Peak load savings (kW):

	<i>lifecycle</i>	<i>in year</i>
Energy savngs (kWh):		

Distributed Generation and Load Displacement Programs:

Amount of DG installed (kW):

Energy generated (kWh):

Peak energy generated (kWh):

Fuel type:

Other Programs (specify):

Metric (specify):

D. Program Costs*:

<i>Utility direct costs (\$):</i>	<i>Incremental capital:</i>	\$	5,128.28	
	<i>Incremental O&M:</i>	\$	-	Includes Measure's Cost - ensure full cost of measure entered in TRCIL15
	<i>Incentive:</i>	\$	-	
	<i>Total:</i>	\$	5,128.28	
<i>Utility indirect costs (\$):</i>	<i>Incremental capital:</i>	\$	-	
	<i>Incremental O&M:</i>	\$	-	
	<i>Total:</i>	\$	-	
Total Utility Cost of Program		\$	5,128.28	
<i>Participant costs (\$):</i>	<i>Incremental equipment:</i>	\$	-	
	<i>Incremental O&M:</i>	\$	-	0
	<i>Total:</i>	\$	-	
Grand Total Program Cost		\$	5,128.28	

E. Comments:

*Please refer to the TRC Guide for the treatment of equipment cost in the TRC Test.

Appendix B - Discussion of the Program

(complete this section for each program)

A. **Name of the Program:** System Optimization through voltage conversion

Description of the program (including intent, design, delivery, partnerships and evaluation):

A study for voltage conversion program determined the benefits of increasing the distribution system voltage which resulted in lower line losses.

Measure(s):

	Measure 1	Measure 2 (if applicable)	Measure 3 (if applicable)
Base case technology:	204 kVA, 1-P load at 4.8 kV		
Efficient technology:	204 kVA, 1-P load at 16 kV		
Number of participants or units delivered:	1.00		
Measure life (years):	25.00		

B. TRC Results:

TRC Benefits (\$):		\$ 3,980.91	
Measure's Costs (\$):			
	Utility program cost (less incentives):	\$ 3,534.87	Includes Discounted Measures Cost
	Participant cost:	\$ -	0
	Total TRC costs:	\$ 3,534.87	
Net TRC (in year CDN \$):		\$446.04	
Benefit to Cost Ratio (TRC Benefits/TRC Costs):		1.13	

C. Results: (one or more category may apply)

Conservation Programs:

Demand savings (kW):	Summer	0.50	
	Winter	0.50	
	lifecycle		in year
Energy saved (kWh):		116,725.00	4,669.00
Other resources saved :			
Natural Gas (m3):		0	0
Water (l)		0	0
Expenditures per kWh Saved (\$/kWh)		\$ 0.0303	
Expenditures per kW Saved (\$/kW)		\$ 7,069.74	

Demand Management Programs:

Controlled load (kW)	
Energy shifted On-peak to Mid-peak (kWh):	
Energy shifted On-peak to Off-peak (kWh):	
Energy shifted Mid-peak to Off-peak (kWh):	

Demand Response Programs:

Dispatchable load (kW):	
Peak hours dispatched in year (hours):	

Power Factor Correction Programs:

Amount of KVar installed (KVar):	
Distribution system power factor at beginning of year (%):	

Distribution system power factor at end of year (%):

Line Loss Reduction Programs:

Peak load savings (kW): 0.5

lifecycle in year

Energy savngs (kWh): 116725 4669

Distributed Generation and Load Displacement Programs:

Amount of DG installed (kW):

Energy generated (kWh):

Peak energy generated (kWh):

Fuel type:

Other Programs (specify):

Metric (specify):

D. Program Costs*:

<i>Utility direct costs (\$):</i>	<i>Incremental capital:</i>	\$	3,534.87	
	<i>Incremental O&M:</i>	\$	-	Includes Measure's Cost - ensure full cost of measure entered in TRCIL15
	<i>Incentive:</i>	\$	-	
	<i>Total:</i>	\$	3,534.87	

<i>Utility indirect costs (\$):</i>	<i>Incremental capital:</i>	\$	-
	<i>Incremental O&M:</i>	\$	-
	<i>Total:</i>	\$	-

Total Utility Cost of Program \$ 3,534.87

<i>Participant costs (\$):</i>	<i>Incremental equipment:</i>	\$	-	
	<i>Incremental O&M:</i>	\$	-	0
	<i>Total:</i>	\$	-	

Grand Total Program Cost \$ 3,534.87

E. Comments:

**Correction note; the December 2005 quarterly reporting of CDM expenditures to the OEB, included \$20,515.90 reported as System Optimization costs. The actual costs incurred are \$3,534.87. The \$16,981.03 overstatement will be reflected in March 2006 CDM quarterly reporting.

*Please refer to the TRC Guide for the treatment of equipment cost in the TRC Test.

Appendix B - Discussion of the Program

(complete this section for each program)

A. **Name of the Program:** Website Conservation/Administration

Description of the program (including intent, design, delivery, partnerships and evaluation):

The intent of this program is to create a conservation website to educate, inform, advertise and reach out to energy consumers. Using economies of scale the website costs are shared with other members of the CHEC group. The administration costs of the CHEC group Coordinator for the CHEC group has been included within this program.

Measure(s):

	Measure 1	Measure 2 (if applicable)	Measure 3 (if applicable)
Base case technology:	0		
Efficient technology:	0		
Number of participants or units delivered:	13,500.00		
Measure life (years):	0.00		

B. TRC Results:

TRC Benefits (\$):		\$	-	
Measure's Costs (\$):				
	Utility program cost (less incentives):	\$	7,243.34	Includes Discounted Measures Cost
	Participant cost:	\$	-	0
	Total TRC costs:	\$	7,243.34	
Net TRC (in year CDN \$):			-\$7,243.34	
Benefit to Cost Ratio (TRC Benefits/TRC Costs):			0.00	

C. Results: (one or more category may apply)

Conservation Programs:

Demand savings (kW):	Summer		0.00
	Winter		0.00
		lifecycle	in year
Energy saved (kWh):		0.00	0.00
Other resources saved :			
Natural Gas (m3):		0	0
Water (l)		0	0
Expenditures per kWh Saved (\$/kWh)		#DIV/0!	
Expenditures per kW Saved (\$/kW)		#DIV/0!	

Demand Management Programs:

Controlled load (kW)	
Energy shifted On-peak to Mid-peak (kWh):	
Energy shifted On-peak to Off-peak (kWh):	
Energy shifted Mid-peak to Off-peak (kWh):	

Demand Response Programs:

Dispatchable load (kW):	
Peak hours dispatched in year (hours):	

Power Factor Correction Programs:

Amount of KVar installed (KVar):	
Distribution system power factor at beginning of year (%):	

Distribution system power factor at end of year (%):

Line Loss Reduction Programs:

Peak load savings (kW):

lifecycle *in year*

Energy savngs (kWh):

Distributed Generation and Load Displacement Programs:

Amount of DG installed (kW):

Energy generated (kWh):

Peak energy generated (kWh):

Fuel type:

Other Programs (specify):

Metric (specify):

D. Program Costs*:

Utility direct costs (\$):	<i>Incremental capital:</i>	\$	-
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<i>Incremental O&M:</i>	\$	7,243.34
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Includes Measure's Cost - ensure full cost of measure entered in TRCIL15

<i>Incentive:</i>	\$	-
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<i>Total:</i>	\$	7,243.34
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Utility indirect costs (\$):	<i>Incremental capital:</i>	\$	-
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<i>Incremental O&M:</i>	\$	-
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<i>Total:</i>	\$	-
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Total Utility Cost of Program	\$	7,243.34
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Participant costs (\$):	<i>Incremental equipment:</i>	\$	-
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<i>Incremental O&M:</i>	\$	-
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<i>Total:</i>	\$	-
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0

Grand Total Program Cost	\$	7,243.34
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E. Comments:

*Please refer to the TRC Guide for the treatment of equipment cost in the TRC Test.