



**RP-2004-0203**  
**EB-2004-0423**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*,  
S.O. 1998, c.15 (Schedule B);

**AND IN THE MATTER OF** an application by Bluewater Power  
Distribution Corporation for an Order Pre-approving its  
Conservation and Demand Management Plan.

**BEFORE:** Gordon Kaiser  
Vice Chair and Presiding Member

George Dominy  
Member

Cathy Spoel  
Member

### **ORDER**

Bluewater Power Distribution Corporation (Bluewater Power) has filed an application dated December 20, 2004 with the Ontario Energy Board for an Order pre-approving its Conservation and Demand Management (CDM) Plan. The Board assigned File No. RP-2004-0203 / EB-2004-0423 to this application.

A Notice of Application and Written Hearing was issued by the Board on January 11, 2005. Bluewater Power served and published the Notice as directed by the Board. The intervention period expired on January 29, 2005. There were no intervenors.

On May 31, 2004, the Minister of Energy granted approval to all distributors in Ontario to apply to the Board for an increase in their 2005 rates by the third installment of their

incremental market adjusted revenue requirement (MARR). This approval is conditional on a commitment to reinvest an equivalent amount in CDM initiatives.

On October 5, 2004, the Board issued a Procedural Order (the Procedural Order) which addressed the opening of deferral accounts; the recovery of development expenses; the process for applying for plan approval; and the filing requirements for plan approval. Pursuant to the Procedural Order all electricity distribution companies, including Bluewater Power, received authorization to establish a deferral account.

The elements of Bluewater Power's CDM Plan include: a Green Team energy efficiency education program, distributed generation, community outreach, a web based energy toolbox, seasonal LED lights, LED traffic lights, fridge buy backs and room air-conditioner replacement, a business energy efficiency program, a low income program, membership of Bluewater Power in organizations focussed on energy efficiency, load control, an energy data management system implementation program and a 'smart' meter pilot.

The total budget for the CDM plan is \$657,600. The exact amount of Bluewater Power's third installment of incremental MARR is \$657,093.

The Board finds that the activities and programs proposed by Bluewater Power qualify as conservation and demand management activities and that the planned investments are eligible for tracking in the deferral account.

The Board approves the expenditure of \$657,093 for implementation of the CDM Plan, which is consistent with the amount of the third installment of Bluewater Power's incremental MARR.

The Board requires that Bluewater Power file with the Board quarterly and annual reports on the progress of the initiatives included in the approved CDM Plan. The annual reports will be subject to public review.

The Board understands that the approved CDM Plan and the associated budget allocation to the individual programs may be subject to modifications. The Board requires that all modifications be identified in the quarterly and annual reports. In addition, Bluewater Power shall apply to the Board for approval for modifications of spending above 20% of the approved budget.

**IT IS ORDERED THAT:**

1. Bluewater Power Distribution Corporation is granted approval of the Conservation and Demand Management Plan as submitted for the Board's review in the application dated December 20, 2004. This investment satisfies the Minister of Energy's condition of a financial commitment to reinvest the equivalent of one years incremental market adjusted revenue requirement in conservation and demand management. The approved total budget is \$657,093.
2. Bluewater Power Distribution Corporation shall file with the Board quarterly and annual reports on the progress of the initiatives within its Conservation and Demand Management Plan.
3. The quarterly reports shall be filed no later than 30 days after the end of each calendar quarter.
4. The annual reports shall be filed no later than March 31 of the following year. The annual reports shall be subject to public review. The annual report shall include a cost benefit analysis on the program included in the Conservation and Demand Management Plan.
5. Bluewater Power Distribution Corporation shall apply to the Board for approval if cumulative fund transfers among programs exceed 20% of the approved budget.

6. Bluewater Power Distribution Corporation may credit the costs of preparing its Conservation and Demand Management application and participation in the hearing including intervenor and Board costs against the amount required to be spent on its Conservation and Demand Management Plan budget.

DATED at Toronto, March 15, 2005.

ONTARIO ENERGY BOARD

John Zych  
Board Secretary