

**2011-2014 Conservation and Demand Management  
Performance Incentive and 2014 Annual Report  
Frequently Asked Questions**

- 1. Q: Under what section of the *Ontario Energy Board Act, 1998* or the CDM Code should eligible distributors file an application for a performance incentive?**

A: Distributors should file their application in accordance with the CDM Code and should reference section 7.1.1 of the CDM Code.

- 2. Q: Can a distributor apply for a performance incentive if it has achieved less than 80% of one or both of its CDM Targets?**

A: No. Section 7.2.2 of the CDM Code states that a distributor is eligible for a performance incentive if it has achieved 80% of **each** of its energy savings and peak demand CDM Targets.<sup>1</sup>

- 3. Q: How should the performance incentive amount be calculated?**

A: Section 7.2.3 of the CDM Code states that a performance incentive must be calculated in accordance with Appendix D of the CDM Code. A [performance incentive calculator](#) is available on the OEB's website to aid eligible distributors in calculating the performance incentive amount that they may apply for.

- 4. Q: Do applications for a performance incentive need to be filed by a certain date?**

A: A distributor can apply at any time after receiving the final evaluation results from the IESO. In the interests of closing off the previous CDM Framework in a timely manner, applications should be filed no later than April 30, 2016.

- 5. Q: Are distributors required to have a third party review in relation to the final results for IESO (formerly OPA)-Contracted Province-Wide CDM Programs (Province-Wide Programs)?**

A: Yes. Section 7.2.1 of the CDM Code states that a distributor must provide verified results at the time of its application for a performance incentive, and that the verification must have been completed by an independent third party selected from the IESO's<sup>2</sup> third party vendor of record list. For the purposes of that section of the CDM Code, the OEB accepts the final results for Province-Wide Programs

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<sup>1</sup> The OEB will allow rounding up of numbers that end in 0.5% or higher, such that the 80% threshold for a CDM Target will be considered to have been met for the purposes of the CDM Code if a distributor has achieved 79.5% to 79.9% of that CDM Target.

<sup>2</sup> The CDM Code refers to the OPA. These responsibilities now rest with the IESO.

that have been verified by third party evaluators from the IESO's vendor of record list.

**6. Q: Can a distributor dispute the final verified results for Province-Wide Programs before the OEB?**

A: The OEB accepts the final verified results for Province-Wide Programs, as determined by the IESO, as final. Any disputes regarding the final results should be raised with the IESO.

**7. Q: If the OEB approves a distributor's performance incentive application, how will the distributor receive payment from the IESO?**

A: As part of the OEB's decision on an application for a performance incentive, it will determine the appropriate amounts to be paid to the distributor by the IESO. The distributor must enter into an agreement with the IESO to enable performance incentive payments related to Province-Wide Programs to be made by the IESO. See the Minister of Energy's [letter of direction](#) to the IESO dated August 21, 2015.

**8. Q: What action will the OEB take against distributors who have not achieved 80% of their energy savings target?**

A: The OEB has previously stated that it will review any instances where a distributor has not met 80% of its energy savings target on a case-by-case basis once the results for 2014 are finalized, and will determine next steps at that time. In accordance with the OEB's [August 26, 2015](#) letter, any distributor that has not met at least 80% of its energy savings target is expected to include in its 2014 Annual Report details of efforts they took during the 2011 to 2014 period to address any shortfall in results and to explain why those efforts were insufficient or unsuccessful.

**9. Q: Where can a distributor find a copy of the CDM Annual Report template?**

A: The [CDM Annual Report template](#), developed by the joint IESO-LDC CDM Annual Report working group, is posted on the OEB's website.

**10. Q: Should distributors include, in their 2014 Annual Report, information related to projected spending in 2015 and 2016 that relates to their 2011-2014 CDM Programs?**

A: Section 2.2.4 of the CDM Code states that distributors are required to report on the activities undertaken by the distributor in the calendar year in order to achieve its CDM Targets. Section 2.2.5 outlines all of the elements that distributors should include in their Annual Report, including amounts related to spending on CDM Programs. The 2011-2014 CDM Framework term ended on December 31, 2014, and the 2014 Annual Reports will be the last ones filed under that Framework.

Distributors should include all relevant information related to the achievement of their 2011-2014 CDM Targets in their 2014 Annual Report so that it is all documented in one place. Information about spending that is projected for 2015 and 2016 and that relates to 2011-2014 CDM Programs would provide the OEB with a more complete understanding of the efforts undertaken to achieve the 2011-2014 CDM Targets.