

# Chapleau Public Utilities Corp.

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Kirsten Walli  
Board Secretary  
Ontario Energy Board  
PO Box 2319  
27<sup>th</sup> Floor  
2300 Young Street  
Toronto, Ontario M4P 1E4

April 11, 2011

Dear Ms. Walli:

**RE: Addendum to Chapleau Public Utilities Corporation's Conservation and Demand Management Strategy  
Board File # EB-2010-0215**

As requested by the Board, Chapleau Public Utilities Corporation's ("Chapleau") is submitting an amendment to its original Conservation and Demand Management ("CDM") Strategy document ("Strategy") filed to the Board on November 1, 2010. The addendum provides proposed budgeted figures to implement and operate the programs/initiatives indicated in the original Strategy. Chapleau used the best available information to reach the preliminary overall estimated budget for their 2011-2014 CDM Programming.

If you have any questions or concerns, please do not hesitate to contact Marita Morin at (705) 864 0111 or email [chec@onlink.net](mailto:chec@onlink.net)

Respectfully yours,

Marita Morin  
Secretary-Treasurer

## Background

On November 1, 2010, Chapleau Public Utilities Corporation (“Chapleau”) filed a Conservation and Demand Management (“CDM”) Strategy Document (“Strategy”) to Ontario Energy Board (“Board”) to comply with the CDM Code.

Chapleaus’ original Strategy submission indicated targets of 0.2MW demand and 1GWh energy savings. These targets were changed on November 12, 2010 to 0.170MW and 1.210GWh respectively and will be achieved mainly through Ontario Power Authority’s suite of CDM Programming (“Tier 1 Programs”).

On February 18, 2011, the Board advised Chapleau that its CDM Strategy needs to be amended to include funding information. The funding information must include the overall estimated budget not just the Program Administration Budget that was provided by the OPA. At the time of filing and still, complete funding information for Tier 1 programs are still not available.

## Methodology

To be able to comply with the Board’s request, Chapleau used the best available information to reach the preliminary overall estimated budget for their 2011-2014 CDM Programming. The methodology used by other Local Distribution Companies (LDC) such as Toronto Hydro, Chatham Kent Hydro and North Bay Hydro, which were acknowledged by the Board, as being utilized to estimate reasonable budgets to run Chapleau Tier 1 programs. The methodology includes using the Resource Planning Tool provided by the OPA and making adjustments based on territory specific considerations.

## Prospective Budget

To respond to this direction from the Board, Chapleau has prepared an estimated, prospective budget for planned Tier 1 Programs. The estimated overall budget requirement by Chapleau to meet its demand and energy targets is \$310,038.94.

<b><u>Program</u></b>	<b><u>Program total</u></b>
OPA Industrial Program	\$54,512.34
OPA Commercial and Institutional	\$204,421.28
OPA Consumer Program	\$51,105.32
OPA Low-income Program	NA
Portfolio total	\$310,038.94

\* Note that the prospective budget portfolio total above is not inclusive of any OPA Low-income Program costs. Further details regarding Low-income programs are pending from the OPA.

## Limitations

These prospective budgets are intended to provide an indication of the scale of the resources required to meet the targets for Chapleau. The final numbers maybe higher or lower depending on the following factors:

- Technologies and measures to be implemented
- Details of program designs and the actual cost of delivering them
- The ability to meet “typical” costs in the Chapleau’s service area
- The possible need for the programs to exceed energy targets in order to meet demand targets (or vice versa)

Chapleau will report to the Board the progress relative to budget in its annual reports and to advise the Board of any adjustments required to ensure that the targets are being met.