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October 29, 2010

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Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli  
Board Secretary

**Subject: Haldimand County Hydro Inc. (EB-2010-0215)  
Conservation and Demand Management (CDM) Code for Electricity  
Distributors – CDM Strategy**

Dear Ms. Walli:

Haldimand County Hydro Inc. hereby submits its Conservation and Demand Management (CDM) Strategy. This submission is filed in accordance with item 2.1 of the Ontario Energy Board's (the Board's) "*Conservation and Demand Management Code for Electricity Distributors*", issued on September 16, 2010.

Two hard copies of the submission are enclosed. An electronic copy of this submission in PDF format will be submitted through the Board's *Regulatory Electronic Submission System* ("RESS").

Haldimand County Hydro Inc. collaborated with 13 other electricity distributors, known as the "Niagara Erie Power Alliance (NEPA) GEA Group", on the development of its Conservation and Demand Management Strategy. The following Table 1 lists the NEPA participating distributors and their respective customer counts and CDM proposed targets issued by the Ontario Energy Board on June 22, 2010.

Table 1: NEPA Participating Distributors

LOCAL DISTRIBUTION COMPANY	Customer Count 2009 OEB Yearbook	2011-2014 Energy Savings Target (GWh)	2014 Summer Peak Demand Savings Target (MW)
Algoma Power Inc.	11,688	8	1
Brant County Power Inc.	9,614	14	3
Brantford Power Inc.	37,668	51	11
Canadian Niagara Power Inc.	28,291	25	6
Espanola Regional Hydro Distribution Inc.	3,383	3	1
Greater Sudbury Hydro Inc.	46,539	44	8
Grimsby Power Inc.	10,073	8	2
Haldimand County Hydro Inc.	20,911	15	5
Niagara Peninsula Energy Inc.	50,823	59	15
Niagara-on-the-Lake Hydro Inc.	7,880	8	2
Norfolk Power Distribution Inc.	18,895	18	5
PUC Distribution Inc.	32,825	31	6
Welland Hydro-Electric System Corp.	21,916	22	6
Westario Power Inc.	21,805	21	4

This CDM Strategy is respectfully submitted for the Board's consideration.

Yours truly,  
**HALDIMAND COUNTY HYDRO INC.**

*Original signed by*

Jacqueline A. Scott  
 Finance Manager

# **Haldimand County Hydro Inc.**

**(ED-2002-0539)**

CONSERVATION and DEMAND MANAGEMENT (CDM) STRATEGY

2011 to 2014

Filed: October 29, 2010

# Haldimand County Hydro Inc.

## Conservation and Demand Management (CDM) Strategy

2011 to 2014

Filed: October 29, 2010

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1. **Distributor's Name:** Haldimand County Hydro Inc. (HCHI) is filing its CDM Strategy with the Ontario Energy Board (OEB) in accordance with the OEB's September 16, 2010 issuance of the Conservation and Demand Management Code for Electricity Distributors (EB-2010-0215).
2. **Total Reduction in Peak Provincial Electricity Demand (MW) Target:** 5 MW per the proposed CDM Targets for Electricity Distributors issued by the Ontario Energy Board on June 22, 2010. HCHI, in response to an OEB request, filed on October 7, 2010 a request for target reduction based on the embedded loads of Hydro One Networks Inc. and Norfolk Power Distribution Inc.. This submission does not take into account the requested target adjustment.
3. **Total Reduction in Electricity Consumption (kWh) Target:** 15,000,000 kWh per the proposed CDM Targets for Electricity Distributors issued by the OEB on June 22, 2010. HCHI, in response to an OEB request, filed on October 7, 2010 a request for target reduction based on the embedded loads of Hydro One Networks Inc. and Norfolk Power Distribution Inc.. This submission does not take into account the requested target adjustment.
4. **High Level CDM Strategy**

HCHI utilized the Ontario Power Authority's (OPA) Resource Planning Tool, taking into consideration HCHI's service territory's residential profile and past CDM program results, to forecast it's reductions in peak demand and energy consumption.

This strategy does not take into consideration the significant portion of the target that the OPA expects to result from smart meter and time-of-use rate implementation. OPA has advised that the CDM targets assigned to all electricity distributors should include approximately 308 MW of savings related to smart meters and time-of-use rates. This advice was based on a study commissioned by the OPA and filed with the OEB as part of the Integrated Power Supply Plan proceeding.

The following tables summarize both annual and cumulative savings by year which, at this time, represents a preliminary summary of the expected annual milestones of both peak demand and energy consumption reductions through the delivery of the OPA-contracted Province-Wide programs.

Annual Resource Savings	2011	2012	2013	2014
Peak Demand Reduction – MW	.54	1.27	2.09	3.57
Electricity Consumption Reduction - MWh	1,380	3,109	4,745	6,449

Cumulative Resource Savings	2011	2012	2013	2014
Electricity Consumption Reduction - MWh	1,380	4,489	9,234	15,683

## 5. OPA Contracted Province-Wide CDM Programs

HCHI will continue to utilize a customer-centric marketing approach, including elements ranging from bill inserts to attending community events. HCHI's strategy for commercial and industrial customers will further build on developing and maintaining strong customer relationships in addition to traditional marketing approaches.

A fully allocated and cost effective strategy requires a minimum funding level. Should the "soon to be announced" Tier One Program budget not provide adequate funding, HCHI will need to re-evaluate its CDM Strategy. HCHI's plan assumes that there will be sufficient funding available to manage and promote the OPA-Contracted Province-Wide programs efficiently. Due to the fact that HCHI's CDM Targets are currently under review and the funding formula has yet to be announced, it's participation in programs and total expected reductions are preliminary. Adjustments to this plan may be required when final OEB CDM Targets are issued and OPA funding information is received and compared to HCHI's business requirements. No budget projections have been included.

The following information outlines the OPA-Contracted Province-Wide programs by name, years of operation and target customers.

## 5.1 Consumer Programs

<b>Name</b>	<b>Years</b>	<b>Description</b>	<b>Target Customers</b>
Instant Rebates	2011-14	In-store discounts on energy efficient products	Residential
Midstream Electronics Incentive	2011-14	Retail promotion of energy efficient televisions	Residential
Midstream Pools Incentive	2011-14	Retail promotion of "right sized" pool equipment	Residential
HVAC Rebates	2011-14	On-line rebates on high efficiency replacement of heating/cooling systems	Residential
Appliance Retirement	2011-14	Free pick-up/decommissioning of old, working inefficient appliances	Residential
Exchange Events	2011-14	Room air conditioner and dehumidifier exchange events at retailers	Residential
Residential New Construction	2011-14	Incentives for builders to construct efficient, smart, and integrated new homes	Residential
Residential Demand Response	2011-14	Free, installed direct load control devices and in-home display systems/capability. Non-DR offers: subsidized in-home display systems/capabilities	Residential
<b>TOTAL</b>	2011-14	1,490 KW	6,749 MWh

## 5.2 Commercial, Agriculture and Institutional Programs

Name	Years	Description	Target Customers
Equipment Replacement (currently ERIP)	2011-14	The Electricity Retrofit Incentive Program is an incentive program designed to encourage high-efficiency electricity retrofits to existing structures.	Commercial Institutional
Direct Install – Lighting (currently Power Savings Blitz)	2011-14	Continuation of existing lighting retrofit incentive program (PSB) for small business customers in the General Service < 50kW.	Commercial Institutional
Direct Install – Space Cooling	2011-14	New initiative that provides incentive towards servicing of roof-top and ground-mounted air conditioners with a capacity of 25 tons or less.	Commercial Institutional
New Construction (currently HPNC)	2011-14	Inclusion of existing HPNC program which provides incentives for energy efficient new building design as well as installation of energy efficient measures.	Commercial Institutional
Small Commercial Demand Response	2011-14	Free, installed direct load control devices and in-home display systems/capability. Non-DR offers: subsidized in-home display systems/capabilities	Commercial Institutional
DR1	2011-14	An initiative where distribution-connected electricity customers voluntary provide DR capabilities to reduce peak demand and increase system reliability	Commercial Institutional
DR3	2011-14	An initiative where distribution-connected electricity customers to provide DR capability to mandatorily reduce peak demand and increase system reliability	Commercial Institutional
Building Commissioning	2011-14	Commissioning of chilled water plants for customers with a demand > 50 kW and facilities larger than 50,000 sq ft.	Commercial Institutional

TOTAL	2011-14	1,530 KW	6,309 MWh
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### 5.3 Industrial Programs

Name	Years	Description	Target Customers
Equipment Replacement (currently ERIP)	2011-14	Incentive program designed to encourage high-efficiency electricity retrofits to existing structures.	Industrial
Industrial Accelerator	2011-14	New component aimed at improving the energy efficiency of equipment and production processes by offering capital incentive and enabling initiatives.	Industrial
Energy Manager / Roving Energy Manager	2011-14	Access funding for customer-employed energy manager(s) for eligible consumers. Access funding for LDC-employed roving energy manager(s).	Industrial
Key Accounts Manager	2011-14	Join with other LDCs in close geographical proximity to apply for a shared Key Accounts Manager.	Industrial
DR1	2011-14	An initiative where distribution-connected electricity customers voluntary provide DR capabilities to reduce peak demand and increase system reliability	Industrial
DR3	2011-14	An initiative where distribution-connected electricity customers to provide DR capability to mandatorily reduce peak demand and increase system reliability	Industrial

<b>TOTAL</b>	2011-14	560 KW	2,620 MWh
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### 5.4 Low Income Program

HCHI intends to participate in the OPA-Contracted Province-Wide Low Income Program. HCHI's strategy and forecast reductions in peak electricity demand and electricity consumption will be identified when application is made to the OPA for delivery.



## **6. Potential Board-Approved CDM Programs**

At this time HCHI does not have any Board-Approved programs planned. It is the intent to meet energy and demand reduction requirements by delivering OPA-Contracted Province-Wide programs. Requirement to participate in Board-Approved programs may result from an inability to deliver OPA-Contracted Province-Wide programs within the determined prescribed OPA funding model.

## **7. Program Mix**

Section 5 above illustrates the programs which will be delivered to all customer types in HCHI's service territory, including residential, commercial, industrial, agricultural and institutional customers. The strategy was developed having regard to the composition of HCHI's customer base with a range of customers in both rural and urban settings requiring program delivery throughout the second largest service territory in the province.

HCHI intends on participating in the OPA-Contracted Province-Wide Low Income Program once additional information has been made available regarding program options and funding.

## **8. CDM Programs Co-ordination**

HCHI has been working closely with other LDCs of similar size and/or geographical proximity in the administration, marketing and implementation of the current OPA Contracted Province-Wide programs being offered. Through this continued collaboration HCHI is projecting to achieve similar delivery efficiencies.

HCHI will, where appropriate, work closely with local Social Service Agencies, local municipal governments, natural gas distributors and other LDC's to deliver its portfolio of OPA-contracted Province-wide CDM Programs, including an OPA-contracted Low Income program.