



265 rue St-Philippe St., C.P./P.O. Box 370, Alfred, ON K0B 1A0

Tel.: 613-679-4093 / Fax: 613-679-4939
email: aphydro@hawk.igs.net

October 29, 2010

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge St
Toronto ON, M4P 1E4

Dear Madame,

**Re: Conservation and Demand Management/Green Energy Act
2011-2014 Strategy Filing
Board File: EB-2010-0215**

Hydro 2000 Inc. has submitted its CDM strategy through the Board's web portal. Two hard copies and one electronic copy were sent by courier.

One table was added on page two of Hydro 2000 CDM strategy plan that shows the Annual Resource Savings. This table bridges the Annual Incremental Savings to Cumulative Savings. Hydro 2000 will re-submit a revised application.

For more information, please contact the undersigned.

Rene Beaulne
Manager
Hydro 2000 Inc.

Hydro 2000 Inc.

(ED-2002-0542)

CDM/GEA 2011-2014 Strategy Filing

November 1, 2010

Hydro 2000 Inc.

CDM Strategy Filing

November 1, 2010

1. **Distributor's Name:** Hydro 2000 Inc. ED-2002-0542 is filing this 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). This Strategy outlines how Hydro 2000 Inc. will meet the electricity demand and consumption targets set out in its license.
2. **Total Reduction in Peak Provincial Electricity Demand (MW) Target:** 0.2 MW per the proposed CDM Targets for Electricity Distributors issued by the Ontario Energy Board (OEB) on June 22, 2010. Please note that this is a preliminary figure currently under review by the OEB.
3. **Total Reduction in Electricity Consumption (kWh) Target:** 1,000,000 kWh per the proposed CDM Targets for Electricity Distributors issued by the OEB on June 22, 2010. Please note that this is a preliminary figure currently under review by the OEB.
4. **CDM Strategy**

4.1. High Level Description of CDM Strategy

Hydro 2000 utilized the Ontario Power Authority's (OPA) Resource Planning Tool, taking into consideration Hydro 2000's service territory's residential profile and past CDM program results, to forecast their reductions in Peak Provincial Electricity Demand and Electricity Consumption. The streamlined version of the Resource Planning Tool was used, as recommended by the OPA, along with the OEB 2009 Yearbook data to forecast the 2011-2014 results for the Consumer, Commercial & Institutional, and Industrial programs.

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 advised that the CDM targets assigned to all electricity distributors should include approximately 308MW 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 summarizes our annual incremental savings, annual resource savings and cumulative savings by year which at this time is our preliminary review of the expected annual milestones of both peak demand and energy consumption through the delivery of the OPA-contracted Province-Wide programs.

Annual Incremental Savings	2011	2012	2013	2014
Peak Demand Reduction – MW	0.04	0.06	0.05	0.06
Electricity Consumption Reduction - MWh	117	181	131	135

Annual Resource Savings	2011	2012	2013	2014
Peak Demand Reduction – MW	0.04	0.10	0.15	0.21
Electricity Consumption Reduction - MWh	117	293	401	513

Cumulative Savings	2011	2012	2013	2014
Electricity Consumption Reduction - MWh	117	410	811	1,324

5. OPA Contracted Province-Wide CDM Programs

5.1. Program Descriptions

Consumer Programs

Name	Years	Description	Target Customers
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
TOTAL	2011-14	70 KW	440 MWh

Hydro 2000's plan is based upon the assumption that there will be sufficient funding available to manage and promote the OPA-contracted Province-Wide Consumer programs. Due to the fact that our CDM Targets are currently under review and the funding formula has yet to be announced, the above listing of 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. No budget projections have been included.

Commercial & 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
Power Savings Blitz	2011-14	Existing building retrofit projects for small business customers in the General service <50kW	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

TOTAL	2011-14	130 KW	748 MWh
-------	---------	--------	---------

Hydro 2000's plan is based upon the assumption that there will be sufficient funding available to manage and promote the OPA-contracted Province-Wide Commercial & Institutional programs. Due to the fact that our CDM Targets are currently under review and the funding formula has yet to be announced, the above listing of 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. No budget projections have been included.

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

TOTAL	2011-14	10 KW	136 MWh
--------------	---------	-------	---------

Hydro 2000's plan is based upon the assumption that there will be sufficient funding available to manage and promote the OPA-contracted Province-Wide Industrial programs. Due to the fact that our CDM Targets are currently under review and the funding formula has yet to be announced, the above listing of 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. No budget projections have been included.

Low Income Programs

Hydro 2000 intends on participating in the OPA-Contracted Province-Wide Low Income Program. Our strategy and forecasted reductions in provincial peak electricity demand and electricity consumption will be filed with the Board once this program has been finalized and its details regarding funding and program components are made available.

6. Potential Board-Approved CDM Programs

6.1. At this time Hydro 2000 Inc. does not have any Board-Approved programs planned. Our current assumption is that the OPA CDM programs will allow Hydro 2000 Inc. to achieve 100% of its targets. Should this assumption need to be readdressed in order for us to meet our CDM Targets, we will potentially develop, or join with another Local Distribution Company (LDC), in seeking a Board-Approved CDM Program.

7. Program Mix

7.1. Section 5 above illustrates the programs which will be delivered to all customer types in Hydro 2000's service territory, including residential, commercial, industrial, and institutional customers. The strategy was developed having regard to the composition of Hydro 2000's customer base.

Hydro 2000 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

8.1. Hydro 2000 plans to collaborate with other LDCs of similar size and/or geographical closeness in the administration, marketing and implementation of the OPA Contracted Province-Wide programs. Through these partnerships Hydro 2000 expects to achieve efficiencies of delivery and cost savings in the future.

Hydro 2000 will 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.