



November 1, 2010

*Delivered by Courier and RESS*

Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto, Ontario  
M4P 1E4

ATTN: Kirsten Walli, Board Secretary

**Subject: Niagara-on-the-Lake Hydro Inc. (ED-2002-0547)  
Conservation and Demand Management (CDM) Code for Electricity  
Distributors – CDM Strategy**

Dear Ms. Walli,

Niagara-on-the-Lake 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 in PDF format will be submitted through the Board's *Regulatory Electronic Submission System* ("RESS").

Niagara-on-the-Lake 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.

Your truly,  
Niagara-on-the-Lake Hydro Inc

*Original signed by*

Victoria Gillett  
Conservation Officer

**Niagara-on-the-Lake Hydro Inc.**

**(ED-2002-0547)**

CDM/GEA 2011-2014 Strategy Filing

November 1, 2010

# Niagara-on-the-Lake Hydro Inc.

## CDM Strategy Filing

November 1, 2010

1. **Distributor's Name:** Niagara-on-the-Lake Hydro Inc. (ED-2002-0547) is filing this Strategy with the Ontario Energy Board. The Strategy outlines how NOTL will meet the electricity demand and consumption targets set out in its license.
2. **Total Reduction in Peak Provincial Electricity Demand (MW) Target:** 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 (MWh) Target:** 8,000 MWh 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.
4. **CDM Strategy**

### 4.1. High Level Description of CDM Strategy

Niagara-on-the-Lake Hydro has utilized the Ontario Power Authority's (OPA) Resource Planning Tool, along with past CDM performance, other supporting documentation (i.e. OPA residential profile, MPAC database, etc.) and in-depth knowledge of their service territory and customer base, to forecast their 2011-2014 reductions in provincial peak electricity demand and electricity consumption.

Annual Savings	2011	2012	2013	2014
Peak Demand Reduction – MW	0.42	0.42	0.43	0.50
Electricity Consumption Reduction - MWh	1,025	2,161	3,046	4,008

Cumulative Savings	2011	2012	2013	2014
Peak Demand Reduction – MW	0.42	0.84	1.27	1.77
Electricity Consumption Reduction - MWh	1,025	3,186	6,232	10,240

## 5. OPA Contracted Province-Wide CDM Programs

### 5.1. Program Descriptions

#### 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	0.44 MW	2,680 MWh

*\* Niagara-on-the-Lake Hydro will be participating in a "version" of a residential demand response program with plans to pursue their current Demand Response Pilot as a Board Approved Program going forward.*

Niagara-on-the-Lake Hydro'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 funding not being available from the OPA at the time of this filing, the above listing of programs and total expected reductions are very preliminary. Adjustments to

this plan may be required when final OEB CDM Targets and OPA funding information is received. No budget projections have been included.

### Commercial and Institutional Programs

Name	Years	Description	Target Customers
Equipment Replacement (currently ERIP)	2011-14	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
<b>TOTAL</b>	2011-14	1.23 MW	6,782 MWh

*\* Niagara-on-the-Lake Hydro will be participating in a "version" of a small commercial demand response program with plans to pursue their current Demand Response Pilot as a Board Approved Program going forward.*

Niagara-on-the-Lake Hydro'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 funding not being available from the OPA at the time of this filing, the above listing of programs and total expected reductions are very preliminary. Adjustments to this plan may be required when final OEB CDM Targets 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
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	0.10 MW	778 MWh

Niagara-on-the-Lake Hydro'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 funding not being available from the OPA at the time of this filing, the above listing of programs and total expected reductions are preliminary. Adjustments to this plan may be required when final OEB CDM Targets and OPA funding information is received. No budget projections have been included.

## Low Income Programs

Niagara-on-the-Lake Hydro intends on participating in the OPA-contracted Province-wide Low Income Program. Once the information is available, Niagara-on-the-Lake Hydro will comply with filing any strategy and budget documentation to the OEB as required.

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

6.1. Niagara-on-the-Lake Hydro hopes to pursue their current Demand Response Pilot into a Board Approved Program offering in January 2011. Niagara-on-the-Lake Hydro is working diligently with other LDC's to discover potential program opportunities to further expand their CDM 2011-2014 portfolio through Board Approved Programs. Our current assumption is that the OPA-Contracted Province-Wide CDM Programs, along with a residential and small commercial demand response program (potential BAP version of current pilot offering), will allow us to achieve 100% of our target.

## **7. Program Mix**

7.1. Section 5 above illustrates that programs will be delivered to all customer types in Niagara-on-the-Lake Hydro's service area. Niagara-on-the-Lake Hydro intends on participating in the OPA-Contracted Province-Wide Low Income Program once additional information has been made available regarding program options and funding. Since there have been no low income programs announced by the OPA, Niagara-on-the-Lake Hydro cannot provide any information, nor target level at this time.

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

8.1. Niagara-on-the-Lake Hydro has been working with other LDCs of similar size and/or geographical closeness in the administration, marketing and implementation of the current suite of OPA CDM Programs. Through this continued collaboration, Niagara-on-the-Lake Hydro expects to achieve efficiencies of delivery and cost savings going forward. Niagara-on-the-Lake Hydro will also work closely with social service agencies, local municipal and regional governments, natural gas distributors and other LDCs to deliver its portfolio of OPA-Contracted Province-Wide CDM Programs.