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BY EMAIL AND WEB POSTING

November 11, 2010

**To: All Licensed Electricity Distributors
All Other Interested Parties**

**RE: Electricity Conservation and Demand Management Targets
EB-2010-0216**

The Ontario Energy Board (the “Board”) has completed its review and consideration of the comments received regarding the proposed Conservation and Demand Management (“CDM”) Targets that are to be met by the licensed electricity distributors listed in Appendix A.

The CDM Targets

On March 31, 2010, the Board received a directive (the “Directive”) from the Minister of Energy and Infrastructure in regards to CDM Targets to be met by licensed electricity distributors.

In accordance with the Directive, the Board is required to, without a hearing and in accordance with the requirements of the Directive, amend certain electricity distributors’ licences to include a requirement to achieve reductions in electricity consumption and reductions in peak provincial electricity demand by the amounts specified by the Board, through the delivery of CDM programs, over a four year period beginning January 1, 2011.

As set out in the Directive, the requirement to amend licences does not apply to distributors that are not connected to the Independent Electricity System Operator (IESO)-controlled grid, with the exception of embedded distributors, and to distributors whose rates are not regulated by the Board.

The Directive also sets out the total reductions in energy and demand that must be achieved through the CDM Targets, which the Board must allocate to the individual

distributors:

- 1,330 megawatts (MW) of provincial peak demand persisting at the end of the four year period; and,
- 6,000 gigawatt hours (GWh) of reduced electricity consumption accumulated over the four year period.

Allocation of the CDM Targets

As set out in the Directive, the Board is responsible for determining the allocation of the total CDM Targets to each licensed electricity distributor. The Board was directed to have regard to information from the Ontario Power Authority (“OPA”), developed in consultation with distributors, on the methodology for allocating the distributor-specific CDM Targets. On June 21, 2010, the Board received the OPA’s advice on the appropriate allocation of CDM Targets to electricity distributors. As stated in the OPA’s advice document on the allocation of the CDM Targets, the OPA consulted with both the Electricity Distributors Association and local distribution companies when preparing its suggested methodology of target allocation.

On June 22, 2010 the Board issued the proposed CDM Targets for comment. The Board received written comments from stakeholders on or before the July 7, 2010 deadline. After reviewing the written comments, the Board determined it was necessary to request further information from those electricity distributors who stated they had issues regarding embedded load. The Board received further information specific to this issue from multiple stakeholders by the October 8, 2010 deadline. As a result of this information and other comments received from stakeholders’, minor adjustments to the proposed CDM Targets were made. The requested adjustments included the use of 2008 and 2009 energy consumption data for the allocation of the energy consumption target, properly accounting for distributors with embedded load and adjusting the rounding of targets to the second decimal place to address comments from stakeholders.

CDM Strategy

As set out in the CDM Code, distributors were to file their CDM Strategy with the Board by November 1, 2010. The Board will not require distributors to re-file their CDM Strategy as a result of the CDM Targets being adjusted. Updates to the CDM Strategy prior to the filing of the first CDM Annual Report on September 30, 2012 will be accepted but are not required.

Licence Amendments

As set out in the Directive, the Board will amend the licence of each distributor listed in Appendix A by adding certain conditions associated with the requirement to meet the

CDM Targets. The Board will be issuing a Decision and Order in this regard in the near future, at which time the CDM Targets will be finalized and become a part of each distributor's license.

If you have any questions regarding the CDM Targets, please contact the Board's Market Operations hotline at 416-440-7604. The Board's toll free number is 1-888-632-6273.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A

EB-2010-0216

Electricity Distributor Conservation and Demand Management Targets

#	License Name
1	Algoma Power Inc.
2	Atikokan Hydro Inc.
3	Attawapiskat Power Corporation
4	Bluewater Power Distribution Corporation
5	Brant County Power Inc.
6	Brantford Power Inc.
7	Burlington Hydro Inc.
8	COLLUS Power Corporation
9	Cambridge and North Dumfries Hydro Inc.
10	Canadian Niagara Power Inc.
11	Centre Wellington Hydro Ltd.
12	Chapleau Public Utilities Corporation
13	Chatham-Kent Hydro Inc.
14	Clinton Power Corporation
15	Cooperative Hydro Embrun Inc.
16	E.L.K. Energy Inc.
17	ENWIN Utilities Ltd.
18	Enersource Hydro Mississauga Inc.
19	Erie Thames Powerlines Corporation
20	Espanola Regional Hydro Distribution Corporation
21	Essex Powerlines Corporation
22	Festival Hydro Inc.
23	Fort Albany Power Corporation
24	Fort Frances Power Corporation
25	Greater Sudbury Hydro Inc.
26	Grimsby Power Inc.
27	Guelph Hydro Electric Systems Inc.
28	Haldimand County Hydro Inc.
29	Halton Hills Hydro Inc.
30	Hearst Power Distribution Company Limited
31	Horizon Utilities Corporation
32	Hydro 2000 Inc.
33	Hydro Hawkesbury Inc.
34	Hydro One Brampton Networks Inc.
35	Hydro One Networks Inc.
36	Hydro Ottawa Limited
37	Innisfil Hydro Distribution Systems Limited
38	Kashechewan Power Corporation
39	Kenora Hydro Electric Corporation Ltd.
40	Kingston Hydro Corporation
41	Kitchener-Wilmot Hydro Inc.
42	Lakefront Utilities Inc.
43	Lakeland Power Distribution Ltd.

#	License Name
44	London Hydro Inc.
45	Middlesex Power Distribution Corporation
46	Midland Power Utility Corporation
47	Milton Hydro Distribution Inc.
48	Newmarket - Tay Power Distribution Ltd.
49	Niagara Peninsula Energy Inc.
50	Niagara-on-the-Lake Hydro Inc.
51	Norfolk Power Distribution Inc.
52	North Bay Hydro Distribution Limited
53	Northern Ontario Wires Inc.
54	Oakville Hydro Electricity Distribution Inc.
55	Orangeville Hydro Limited
56	Orillia Power Distribution Corporation
57	Oshawa PUC Networks Inc.
58	Ottawa River Power Corporation
59	PUC Distribution Inc.
60	Parry Sound Power Corporation
61	Peterborough Distribution Incorporated
62	Port Colborne Hydro Inc.
63	PowerStream Inc.
64	Renfrew Hydro Inc.
65	Rideau St. Lawrence Distribution Inc.
66	Sioux Lookout Hydro Inc.
67	St. Thomas Energy Inc.
68	Thunder Bay Hydro Electricity Distribution Inc.
69	Tillsonburg Hydro Inc.
70	Toronto Hydro-Electric System Limited
71	Veridian Connections Inc.
72	Wasaga Distribution Inc.
73	Waterloo North Hydro Inc.
74	Welland Hydro-Electric System Corp.
75	Wellington North Power Inc.
76	West Coast Huron Energy Inc.
77	West Perth Power Inc.
78	Westario Power Inc.
79	Whitby Hydro Electric Corporation
80	Woodstock Hydro Services Inc.