

July 7, 2010

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

**Invitation to Comment – Electricity Conservation and Demand Management Targets**  
**Board File No.: EB-2010-0216**

Dear Ms. Walli,

As requested by the OEB regarding CDM target setting and allocation methodology, and as outlined in the discussion paper released June 22, 2010, we would like to provide the following comments and questions on behalf of the following “GEA member utilities”. In addition to this letter, individual LDCs may forward additional comments that are specific to their utility.

The following members are part of this submission.

GEA Member LDCs	Contacts	Customer Base
Algoma Power Inc.	Doug Bradbury	11,586
Brant County Power Inc.	Bruce Noble	9,300
Canadian Niagara Power Inc.	Doug Bradbury	28,388
Greater Sudbury Hydro Inc.	Paula Tarini	43,772
Grimsby Power Incorporated	Sean Perry	9,600
Haldimand County Hydro Inc.	Jane Albert	20,551
Niagara-on-the-Lake Hydro Inc.	Victoria Gillett	7,650
Niagara Peninsula Energy Inc.	Sue Forcier	48,416
Norfolk Power Distribution Inc.	Brad Randall	18,300
Welland Hydro Electric System Corp.	Jason Biesma	21,493
Westario Power Inc.	Lisa Milne	20,208
	Total	<b>239,264</b>

The following outlines the comments and questions pertaining to the methodology for developing individual LDC targets for CDM.

### **Individual LDC GWh and MW Targets**

It is important for each LDC to understand how their particular target was calculated. It would be helpful to have the specific information detailing how each LDC's GWh and MW targets were calculated. The following questions are in regard to the OEB statistics used for target calculation.

- a) What peak demand periods were used for the calculation?
- b) Were line losses or other criteria included in the calculations?
- c) There are a select few LDCs that have embedded meter points in their service territory. It is likely that energy and demand reporting to the Board may include this data. If this is the case, it would lead to overall provincial aggregated energy and demand being double counted. What is the process to make these adjustments to minimize impact to the reallocation of targets for all LDCs?

### **Data Usage for Target Determination**

The GEA Members, indicated above, are in agreement that the OEB should use the most current data available and base the targets on 2009 results, not the 2008 results as it would best reflect the current economic conditions.

### **Falling Short of LDC Target: Mechanisms to Adjust Individual LDC targets**

1. We understand that as a condition of license LDCs are responsible for meeting the set targets. How will the OEB address the issue if an LDC is unable to meet their target?

The current directive does not take into consideration any mechanism to review or revise targets. It is conceivable that changes to economy, customer base and issues surrounding program delivery could impact a LDC's ability to meet target, regardless of the effort made. Recommendation to provide a formal mechanism that would allow a LDC to review their target and adjust their target accordingly is requested.

### **Winter Peaking LDC's**

Targets need to take into consideration that northern LDC's have a smaller peak summer demand than southern LDC's but similar energy consumption targets. Summer peaking utilities can and do implement summer programs that target both consumption and demand. Winter peaking utilities do not have this

option and it will be more difficult to achieve the targets, especially if funding is tied to the MW target rather than GWh reduction.

## **Peaksaver Program**

As stated on page 20 of the Electricity Conservation and Demand Management Targets document, the OPA expects that MW savings from DR under contracts entered into prior to 2011 (which are set to expire during the 2011-2014 period and subsequently renewed in that period, and which continue under contract at the end of the period) will be credited toward the CDM Target. If a PeakSaver contract expires in 2011 and the customer continues with the program until the end of 2014 will the savings be credited toward the target? If Peaksaver customer contracts are expiring in 2010 and the customer continues with the program will the savings be credited toward the target if the contract ends before 2014? Should these customer contracts be removed from aggregator list?

## **Rounding of GWh targets**


The 2011-2014 Energy Savings Targets appear to be rounded up to the nearest whole number. The consensus of the GEA member utilities is that targets should be based on actual numbers and not be rounded. Request to round to the precision of one decimal place.

## **Consistent Units of Measure**

The Notice of Approval to Issue a New Code Creation of the conservation and Demand Management Code for Electricity Distributors EB-2010-0215 and The Electricity Conservation and Demand Management Targets EB-2010-0216 uses different units of measurements (MWh and kW, or GWh and MW). The recommendation is to use consistent units of measure in both documents.

The GEA Members appreciate the opportunity to comment on the distributor specific CDM targets that have been proposed by the OPA.

Yours truly,



James Douglas  
President