Ontario Energy Board Commission de l'énergie de l'Ontario



EB-2010-0215 EB-2010-0216

IN THE MATTER OF the *Ontario Energy Board Act, 1998,* S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF a Minister's Directive issued by the Minister of Energy and Infrastructure, to the Ontario Energy Board, pursuant to sections 27.1 and 27.2 of the *Ontario Energy Board Act, 1998* and approved by the Lieutenant Governor in Council on March 31, 2010 as Order in Council No. 437/2010;

AND IN THE MATTER OF a proceeding under section 74 of the *Ontario Energy Board Act, 1998* amending all electricity distributor licences.

BEFORE: Marika Hare Presiding Member

> Karen Taylor Board Member

DECISION AND ORDER

Background

Section 27.1 of the *Ontario Energy Board Act, 1998* (the "Act") states that the Minister of Energy and Infrastructure (the "Minister") "may issue, and the Board shall implement, directives that have been approved by the Lieutenant Governor in Council that require the Board to take steps specified in the directives to promote energy conservation, energy efficiency, load management or the use of cleaner energy sources, including alternative and renewable energy sources".

Section 27.2(1) of the Act states that the "Minister may issue, and the Board shall implement, directives that have been approved by the Lieutenant Governor in Council that require the Board to take steps specified in the directive to establish conservation and demand management targets to be met by distributors and other licensees".

Section 27.2(2) provides: "To promote conservation and demand management, a directive may require the Board to specify, as a condition of a licence, the conservation targets associated with those specified in the directive, and the targets shall be apportioned by the Board between distributors and other licensees in accordance with the directive."

Section 27.2(7) states: "A directive may specify whether the Board is to hold a hearing, the circumstances under which a hearing may or may not be held and, of a hearing is to be held, the type of hearing to be held."

The Directive

On March 31, 2010, the Minister issued a Minister's Directive to the Ontario Energy Board (the "Board"), pursuant to sections 27.1 and 27.2 of the Act. The Directive was approved by the Lieutenant Governor in Council as O.C. 437/2010. The Directive directs the Board to amend the licences of all licensed electricity distributors.

The Directive states, in part:

- Subject to paragraph 5, the Board shall, without a hearing and in accordance with the requirements of this Directive ... amend each distributor's licence to add a condition requiring the distributor to achieve reductions in electricity consumption and reductions in peak provincial electricity demand through the delivery of CDM programs ("CDM Programs") by the amounts specified by the Board (the "CDM Targets"), over a four-year period beginning January 1, 2011.
- 2. In establishing the CDM Targets for each distributor, the Board shall:

- (a) ensure that the total of the CDM Targets established for all distributors is equal to 1330 megawatts (MW) of provincial peak demand persisting at the end of the four-year period and 6000 gigawatt hours (GWh) of reduced electricity consumption accumulated over the four-year period;
- (b) specify for each distributor, a CDM Target for the reduction of provincial peak electricity demand and a CDM Target for the reduction of electricity consumption, each of which must be greater than zero; and,
- (c) have regard to information obtained from the Ontario Power Authority ("OPA"), developed in consultation with distributors, regarding the reductions in provincial peak electricity demand and electricity consumption that could be achieved by individual distributors through the delivery of CDM Programs.
- 3. The Board shall amend the licence of each distributor as follows:
 - (a) by adding a condition that specifies each distributor must meet its CDM Targets through:
 - (i) the delivery of Board approved CDM Programs delivered in the distributor's service area ("Board-Approved CDM Programs");
 - (ii) the delivery of CDM Programs that are made available by the OPA to distributors in the distributor's service area under contract with the OPA ("OPA-Contracted Province-Wide CDM Programs"); or,
 - (iii) a combination of (i) and (ii)
 - (b) Each licensed electricity distributor must deliver a mix of CDM Programs to all consumer types in the distributor's service area, whether through the Board-Approved CDM Programs, OPA-Contracted Province-Wide CDM Programs or a

combination of the two, as far as is appropriate and reasonable having regard to the composition of the distributor's consumer base.

- (c) Each licensed electricity distributor must comply with the rules mandated by the Conservation and Demand Management Code for Electricity Distributors, issued on September 16, 2010.
- (d) Each licensed electricity distributor must utilize the same common Provincial brand with all:
 - (i) Board-Approved CDM Programs;
 - (ii) OPA-Contracted Province-Wide Programs, once those programs have been created; and
 - (iii) In conjunction with or co-branded with a distributor's own brand or marks.

Licence Amendments

On June 21, 2010, the Board received information from the OPA, developed in consultation with distributors, regarding appropriate reductions (i.e. targets) to peak electricity demand and electricity consumption that could be obtained by individual distributors through the delivery of CDM programs. The Board circulated these proposed targets to distributors for comment on June 22, 2010. The Board considered the comments it received, and has made certain minor adjustments to the CDM Targets as described in a letter dated November 11, 2010.

In order to comply with the Directive, the Board issued a Decision and Order on November 12, 2010 amending each distributor's licence. As specified in the Directive, and permitted by section 27.2(7) of the Act, these amendments were made without a hearing.

Port Colborne

In its November 12, 2010 Decision and Order the Board assigned CDM targets related to the distribution business in the City of Port Colborne to Port Colborne Hydro Inc.

Ontario Energy Board

("PCHI"), a licenced distributor. However, CNPI was granted leave to lease the electricity distribution assets of PCHI in the RP-2001-0041 Decision and Order. In Appendix A of the RP-2001-0041 Decision and Order, PCHI's Distribution Licence was amended to recognize CNPI as the Lessee. In Appendix B of the Decision, CNPI's Distribution Licence was amended to stipulate that CNPI shall operate the distribution system located within the municipal boundaries of the City of Port Colborne. As well, the Decision and Order stipulated as a condition of CNPI's Licence that CNPI shall maintain separate accounting and financial records with respect of the distribution business operated in the City of Port Colborne. Further, CNPI's Distribution Licence, ED-2002-0572, stipulates on page 10, item # 8, that the City of Port Colborne is included in CNPI's service territory.

Accordingly, the Board believes it is appropriate to revise the CDM targets of PCHI to zero and establish targets for Canadian Niagara Power Inc. – Port Colborne distribution service territory. The targets for Canadian Niagara Power Inc. – Port Colborne will be the same as the targets previously attached to PCHI, and the Board expects that this amendment will have little if any effect on how programs are made available in the Port Colborne service territory. The targets for all other Distributors remain the same as established in the Board's November 12, 2010 Decision and Order. The CDM targets established in the November 12, 2010 Decision and Order are revised as set out in Appendix A to this Decision and Order.

THE BOARD THEREFORE ORDERS THAT:

- 1. Each licensed electricity distributor must, as a condition of its licence, meet its respective CDM Targets as established in Appendix A and attached to this Decision.
- Each licensed electricity distributor must, as a condition of its licence, deliver Board-Approved CDM Programs, OPA-Contracted Province-Wide CDM Programs, or a combination of the two.
- Each licensed electricity distributor must, as a condition of its licence, comply with the Conservation and Demand Management Code for Electricity Distributors.
- 4. Each licensed electricity distributor must, as a condition of its licence, utilize the common Provincial brand, once made available by the Ministry, with all Board-

Approved CDM Programs, OPA-Contracted Province-Wide Programs, and in conjunction with or co-branded with a distributor's own brand or marks.

DATED at Toronto, March 14, 2011 ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary

Appendix A EB-2010-0215 EB-2010-0216 March 14, 2011

LDC CDM Targets

#	License Name	2014 Net Annual Peak Demand Savings Target (MW)	2011-2014 Net Cumulative Energy Savings Target (GWh)
1	Algoma Power Inc.	1.280	7.370
2	Atikokan Hydro Inc.	0.200	1.160
3	Attawapiskat Power Corporation	0.070	0.290
4	Bluewater Power Distribution Corporation	10.650	53.730
5	Brant County Power Inc.	3.300	9.850
6	Brantford Power Inc.	11.380	48.920
7	Burlington Hydro Inc.	21.950	82.370
8	COLLUS Power Corporation	3.140	14.970
9	Cambridge and North Dumfries Hydro Inc.	17.680	73.660
10	Canadian Niagara Power Inc.	4.070	15.810
11	Canadian Niagara Power Inc. – Port Colborne distribution service territory	2.330	9.270
12	Centre Wellington Hydro Ltd.	1.640	7.810
13	Chapleau Public Utilities Corporation	0.170	1.210
14	Chatham-Kent Hydro Inc.	9.670	37.280
15	Clinton Power Corporation	0.320	1.380
16	Cooperative Hydro Embrun Inc.	0.340	1.120
17	E.L.K. Energy Inc.	2.690	8.250
18	ENWIN Utilities Ltd.	26.810	117.890
19	Enersource Hydro Mississauga Inc.	92.980	417.220
20	Erie Thames Powerlines Corporation	4.280	18.600
21	Espanola Regional Hydro Distribution Corporation	0.520	2.760
22	Essex Powerlines Corporation	7.190	21.540
23	Festival Hydro Inc.	6.230	29.250
24	Fort Albany Power Corporation	0.050	0.240
25	Fort Frances Power Corporation	0.610	3.640
26	Greater Sudbury Hydro Inc.	8.220	43.710
27	Grimsby Power Inc.	2.060	7.760
28	Guelph Hydro Electric Systems Inc.	16.710	79.530
29	Haldimand County Hydro Inc.	2.850	13.300
30	Halton Hills Hydro Inc.	6.150	22.480
31	Hearst Power Distribution Company Limited	0.680	3.910
32	Horizon Utilities Corporation	60.360	281.420
33	Hydro 2000 Inc.	0.190	1.040
34	Hydro Hawkesbury Inc.	1.820	9.280

#	License Name	2014 Net Annual Peak Demand Savings Target (MW)	2011-2014 Net Cumulative Energy Savings Target (GWh)
35	Hydro One Brampton Networks Inc.	45.610	189.540
36	Hydro One Networks Inc.	213.660	1,130.210
37	Hydro Ottawa Limited	85.260	374.730
38	Innisfil Hydro Distribution Systems Limited	2.500	9.200
39	Kashechewan Power Corporation	0.070	0.330
40	Kenora Hydro Electric Corporation Ltd.	0.860	5.220
41	Kingston Hydro Corporation	6.630	37.160
42	Kitchener-Wilmot Hydro Inc.	21.560	90.290
43	Lakefront Utilities Inc.	2.770	13.590
44	Lakeland Power Distribution Ltd.	2.320	10.180
45	London Hydro Inc.	41.440	156.640
46	Middlesex Power Distribution Corporation	2.450	9.250
47	Midland Power Utility Corporation	2.390	10.820
48	Milton Hydro Distribution Inc.	8.050	33.500
49	Newmarket - Tay Power Distribution Ltd.	8.760	33.050
50	Niagara Peninsula Energy Inc.	15.490	58.040
51	Niagara-on-the-Lake Hydro Inc.	2.420	8.270
52	Norfolk Power Distribution Inc.	4.250	15.680
53	North Bay Hydro Distribution Limited	5.050	26.100
54	Northern Ontario Wires Inc.	1.060	5.880
55	Oakville Hydro Electricity Distribution Inc.	20.700	74.060
56	Orangeville Hydro Limited	2.780	11.820
57	Orillia Power Distribution Corporation	3.070	15.050
58	Oshawa PUC Networks Inc.	12.520	52.240
59	Ottawa River Power Corporation	1.610	8.970
60	PUC Distribution Inc.	5.580	30.830
61	Parry Sound Power Corporation	0.740	4.160
62	Peterborough Distribution Incorporated	8.720	38.450
63	Port Colborne Hydro Inc.	0.0	0.0
64	PowerStream Inc.	95.570	407.340
65	Renfrew Hydro Inc.	1.050	4.860
66	Rideau St. Lawrence Distribution Inc.	1.220	5.100
67	Sioux Lookout Hydro Inc.	0.510	3.320
68	St. Thomas Energy Inc.	3.940	14.920
69	Thunder Bay Hydro Electricity Distribution Inc.	8.480	47.380
70	Tillsonburg Hydro Inc.	2.290	10.250
71	Toronto Hydro-Electric System Limited	286.270	1,303.990
72	Veridian Connections Inc.	29.050	115.740
73	Wasaga Distribution Inc.	1.340	4.010
74	Waterloo North Hydro Inc.	15.790	66.490
75	Welland Hydro-Electric System Corp.	5.560	20.600
76	Wellington North Power Inc.	0.930	4.520
77	West Coast Huron Energy Inc.	0.880	8.280

#	License Name	2014 Net Annual Peak Demand Savings Target (MW)	2011-2014 Net Cumulative Energy Savings Target (GWh)
78	West Perth Power Inc.	0.620	2.990
79	Westario Power Inc.	4.240	20.950
80	Whitby Hydro Electric Corporation	10.900	39.070
81	Woodstock Hydro Services Inc.	4.490	18.880
Total		1,330.04	5,999.970