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# **Woodstock Hydro Services Inc.**

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## **Conservation and Demand Management 2012 Annual Report**

**Submitted to:  
Ontario Energy Board**

**Submitted on September 30, 2013**

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## Executive Summary

This annual report is submitted by Woodstock Hydro Services Inc. (WHSI) in accordance with the filing requirements set out in the CDM Code (Board File No. EB-2010-0215), specifically Appendix C Annual Report Template, as a progress report and modification to WHSI's Strategy. Accordingly, this report outlines WHSI's CDM activities for the period of January 1, 2012 to December 31, 2012. It includes net peak demand and net energy savings achieved from 2011 and 2012, discussion of the current/future CDM framework, CDM program activities, successes and challenges, as well as forecasted savings to the end of 2014.

WHSI did not apply for any Board-Approved CDM Programs during 2012; however, as noted in the CDM guidelines, released April 26, 2012, the Ontario Energy Board (OEB) has deemed Time-of-Use (TOU) pricing a Province-wide Board-Approved CDM Program. The Ontario Power Authority (OPA) is to provide measurement and verification on TOU. At the time of this report the OPA has not released any verified results of TOU savings to WHSI.

In 2011, WHSI contracted with the Ontario Power Authority (OPA) to deliver a portfolio of OPA-Contracted Province-Wide CDM Programs to all customer segments including residential, commercial, institutional, industrial and low income. These programs were rolled-out by the OPA in June 2011. In 2011 Program activities were centered on building a foundation for full program execution over the next three years of the program term, including staffing, procurement, and program delivery.

In 2012 WHSI successfully launched the Home Assistance Program and made preparations for the launch of the PeaksaverPLUS program in 2013. WHSI ramped up promotional efforts for all CDM programs, including launching radio and newspaper advertising campaigns. WHSI made a concerted effort to reach industrial, commercial and institutional customers, focusing on one-on-one meetings to promote the Business and Industrial CDM programs.

To date WHSI has achieved 1.3 MW of net incremental peak demand savings and 2.5 GWh of net incremental energy savings in 2012. A summary of the achievements towards the CDM targets is shown below:

OPA-Contracted Province-Wide CDM Programs FINAL 2012 Results				
LDC: Woodstock Hydro Services Inc.				
FINAL 2012 Progress to Targets	2012 Incremental	Program-to-Date Progress to Target (Scenario 1)	Scenario 1: % of Target Achieved	Scenario 2: % of Target Achieved
Net Annual Peak Demand Savings (MW)	1.3	1.4	31.0%	49.1%
Net Energy Savings (GWh)	2.5	28.7	152.1%	152.3%

Scenario 1 = Assumes that demand resource resources have a persistence of 1 year  
Scenario 2 = Assumes that demand response resources remain in your territory until 2014

The updated forecast prepared for this report shows that there will be a shortfall with respect to WHSI's 4.49 MW 2014 peak demand reduction target. Although, the peak demand savings are below target, WHSI expects to significantly exceed the 18.88 GWh electricity energy savings 2014 target. Given the expected shortfall, WHSI continues to work actively on participant engagement. In addition WHSI has partnered with other electricity local distribution companies (LDCs), and has been working with the Ontario Power

Authority (OPA) and the Electrical Distribution Association (EDA) to improve program effectiveness, however it is WHSI's position that in itself this will not fully overcome the forecasted peak demand savings shortfall.

## Background

On March 31, 2010, the Minister of Energy and Infrastructure of Ontario, under the guidance of sections 27.1 and 27.2 of the *Ontario Energy Board Act, 1998*, directed the Ontario Energy Board (OEB) to establish Conservation and Demand Management (CDM) targets to be met by electricity distributors. Accordingly, on November 12, 2010, the OEB amended the distribution license of WHSI to require WHSI, as a condition of its license, to achieve 18.88 GWh of energy savings and 4.49 MW of summer peak demand savings, over the period beginning January 1, 2011 through December 31, 2014.

In accordance with the same Minister's directive, the OEB issued the Conservation and Demand Management Code for Electricity Distributors (the Code) on September 16, 2010. The code sets out the obligations and requirements with which electricity distributors must comply in relation to the CDM targets set out in their licenses. To comply with the Code requirements, WHSI submitted its CDM Strategy on November 1, 2010 that provided a high level of description of how WHSI intended to achieve its CDM targets.

The Code also requires a distributor to file annual reports with the Board. This is the second Annual Report by WHSI and has been prepared in accordance with the Code requirement and covers the period from January 1, 2012 to December 31, 2012.

WHSI submitted its 2011 Annual Report on September 30, 2012 which summarized the CDM activities, successes and challenges experienced by WHSI for the January 1, 2011 to December 31, 2011 period. The OEB's 2011 CDM Results report identified that the delay in the full suite of CDM Programs being made available by the OPA, and the absence of some programs negatively impacted the final 2011 results for the LDCs. This issue was also highlighted in Volumes I & II of the Environmental Commissioner's Report on Ontario's Annual Energy Conservation Progress.

On December 21, 2012, the Minister of Energy directed the OPA to fund CDM programs that meet the definition and criteria for OPA-Contracted Province-Wide CDM Programs for an additional one-year period from January 1, 2015 to December 31, 2015.

The Ministerial Directive did not amend the timelines for LDCs to achieve their energy savings and demand savings targets. Therefore, the main focus of the LDCs remains the achievement of CDM targets by December 31, 2014.

# **1. Conservation Framework**

## **1.1 Current Framework**

Ontario's current CDM framework is a key step towards creating a culture of conservation in the Province. The Government's Directive to the OEB to establish CDM targets that would be met by electricity distributors recognizes the importance of CDM for both electricity customers and the electricity system. CDM helps customers manage rising energy costs, support the provincial integrated supply plan, as well as address local distribution and transmission supply constraints. The current framework was intended to enable customers to benefit from a suite of both Board-Approved and OPA Province-Wide programs and be a portfolio that would meet both broad and specific customer needs.

The state of Board-Approved programs and the current suite of Province-Wide OPA programs have limited CDM offerings to customers. This has produced limited savings and has restricted the associated opportunity for LDCs to meet their targets. The process to introduce changes to current program Initiatives or to pilot new Initiatives has been challenging, taking considerable cost and effort, which has resulted in limited benefits to customers and CDM savings.

Moving forward, the future CDM framework should address the challenges of the current framework and build on its strengths. Currently overbuilt governance and excessive legal requirements results in a slow, bureaucratic process, with a burdensome administrative process. There is a misalignment of control and risk where LDCs have the accountability to achieve their respective CDM targets as a condition of distribution license, but the authority for design and funding are controlled substantially by the OPA.

The Ministerial Directive provides continuity of the conservation programs and associated compensation for the participants; however the subsequent savings would not be attributed to any LDC target and in effect would be 'lost' due to misalignment of the current CDM framework and LDC Targets. In addition, the establishment of defined administrative funding for 2015 is required to avoid a "stop and start" process.

## **1.2 Future Framework**

LDCs are supportive of government's renewed commitment for conservation and demand management in Ontario. LDCs are committed to working with the government and other stakeholders to develop the next framework for CDM in the Province.

Long-term commitment for CDM funding and a confirmation of the role of the LDC are needed. This will allow LDCs to maintain current program infrastructure including LDC staff and third party contracts through 2015.

Providing clarity and continuity into the next framework is critical for all customers. To ensure a seamless and smooth transition that maintains and builds upon CDM momentum beyond 2014, a new CDM framework should be in place well before the expiry of the current one. Work involving key parties including LDCs, government, customer groups and OEB should start in 2013 to allow for a new framework to be in place by early 2014. The remainder of 2014 would be utilized for program development and design, economic analysis, procurement and launching of new CDM program initiatives.

## 2. Board-Approved CDM Programs

### 2.1 Introduction

In its Decision and Order dated November 12, 2010 (**EB-2010-0215 & EB-2010-0216**), the OEB ordered that, (to meet its mandatory CDM targets), “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”.

At this time, the implementation of Time-of-Use (“TOU”) Pricing has been deemed as a Board-Approved CDM program that is being offered in WHSI’s service area.

### 2.2 TOU Pricing

#### 2.2.1 BACKGROUND

In its April 26, 2012 CDM Guidelines, the OEB recognizes that a portion of the aggregate electricity demand target was intended to be attributable to savings achieved through the implementation of TOU Pricing. The OEB establishes TOU prices and has made the implementation of this pricing mechanism mandatory for distributors. On this basis, the OEB has determined that distributors will not have to file a Board-Approved CDM program application regarding TOU pricing. The OEB has deemed the implementation of TOU pricing to be a Board-Approved CDM program for the purposes of achieving the CDM targets. The costs associated with the implementation of TOU pricing are recoverable through distribution rates, and not through the Global Adjustment Mechanism (GAM).

In accordance with a Directive dated March 31, 2010 by the Minister of Energy and Infrastructure, the OEB is of the view that any evaluations of savings from TOU pricing should be conducted by the OPA for the province, and then allocated to distributors. WHSI will report these results upon receipt from the OPA.

At the time of preparation of this report the OPA had retained the Brattle Group as the evaluation contractor and will be working with an expert panel convened to provide advice on methodology, data collection, models, etc. The initial evaluations were conducted with 5 LDCs – Hydro One, THESL, Ottawa Hydro, Thunder Bay and Newmarket. Preliminary results from these 5 LDCs were unavailable at the date of submission of this report.

As of September 30, 2013, the OPA has not released any verified results of TOU savings to WHSI. Therefore WHSI is not able to provide any verified savings related to LDC’s TOU program at this time.

#### 2.2.2 TOU PROGRAM DESCRIPTION

**Target Customer Type(s):** Residential and small business customers (up to 250,000 kWh per year)

**Initiative Frequency:** Year-Round

**Objectives:** TOU pricing is designed to incent the shifting of energy usage. Therefore peak demand reductions are expected, and energy conservation benefits may also be realized.



**Description:** In August of 2010, the OEB issued a final determination to mandate TOU pricing for Regulated Price Plan (“RPP”) customers by June 2011, in order to support the Government’s expectation for 3.6 million RPP consumers to be on TOU pricing by June 2011, and to ensure that smart meters funded at ratepayer expense are being used for their intended purpose.

The RPP TOU price is adjusted twice annually by the OEB. A summary of the RPP TOU pricing is provided below:

<b>RPP TOU</b>	<b>Rates (cents/kWh)</b>		
	<b>On Peak</b>	<b>Mid Peak</b>	<b>Off Peak</b>
<b>Effective Date</b>			
November 1, 2010	9.9	8.1	5.1
May 1, 2011	10.7	8.9	5.9
November 1, 2011	10.8	9.2	6.2
May 1, 2012	11.7	10.0	6.5
November 1, 2012	11.8	9.9	6.3
May 1, 2013	12.4	10.4	6.7

**Delivery:** The OEB set the rates; LDCs install and maintain the smart meters; LDCs convert customers to TOU billing.

**Initiative Activities/Progress:**

WHSI began transitioning its RPP customers to TOU billing on May 1, 2010. At December 31st, 2012, all 13,945 Residential (100%) and 1,220 of 1,223 General Service (GS) < 50 kW (99.75%) RPP customers were on TOU billing. The remaining 3 GS < 50 kW customers will never change to TOU as they are the accounts for the inverter usages for the 3 Feed-in-Tariff customers and their meters are not TOU compatible.

### **2.3 WHSI’s Application with the OEB**

There were no LDC programs approved by the OEB in 2012.

### 3. OPA-Contracted Province-Wide CDM Programs

#### 3.1 Introduction

Effective January 2011, WHSI entered into an agreement with the OPA to deliver CDM programs extending from January 1, 2011 to December 31, 2014, which are listed below. Program details are included in Appendix A. In addition, results include projects started pre-2011 which were completed in 2011:

Initiative	Schedule	Date schedule posted	Customer Class	LDC In-Market Date
<b>Residential Program</b>				
Appliance Retirement	Schedule B-1, Exhibit D	Jan 26, 2011	All residential rate classes	January 2011
Appliance Exchange	Schedule B-1, Exhibit E	Jan 26, 2011	All residential rate classes	January 2011
HVAC Incentives	Schedule B-1, Exhibit B	Jan 26, 2011	All residential rate classes	January 2011
Conservation Instant Coupon Booklet	Schedule B-1, Exhibit A	Jan 26, 2011	All residential rate classes	January 2011
Bi-Annual Retailer Event	Schedule B-1, Exhibit C	Jan 26, 2011	All residential rate classes	January 2011
Retailer Co-op	n/a	n/a	All residential rate classes	January 2011
Residential Demand Response	Schedule B-3	Aug 22, 2011	All general service classes	Not launched until September 2013
New Construction Program	Schedule B-2	Jan 26, 2011	All residential rate classes	January 2011
<b>Commercial &amp; Institutional Program</b>				
Efficiency: Equipment Replacement	Schedule C-2	Jan 26, 2011	All general service classes	January 2011
Direct Install Lighting	Schedule C-3	Jan 26, 2011	General Service < 50 kW	January 2011
Existing Building Commissioning Incentive	Schedule C-6	Feb 2011	All general service classes	February 2011
New Construction and Major Renovation Initiative	Schedule C-4	Feb 2011	All general service classes	February 2011

Initiative	Schedule	Date schedule posted	Customer Class	LDC In-Market Date
Energy Audit	Schedule C-1	Jan 26, 2011	All general service classes	January 2011
Commercial Demand Response (part of the Residential program schedule)	Schedule B-3	Jan 26, 2011	General Service < 50 kW	Not launched until September 2013
Demand Response 3 (part of the Industrial program schedule)	Schedule D-6	May 31, 2011	General Service 50 kW & above	May 2011

Initiative	Schedule	Date schedule posted	Customer Class	LDC In-Market Date
<b>Industrial Program</b>				
Process & System Upgrades	Schedule D-1	May 31, 2011	General Service 50 kW & above	May 2011
Monitoring & Targeting	Schedule D-2	May 31, 2011	General Service 50 kW & above	May 2011
Energy Manager	Schedule D-3	May 31, 2011	General Service 50 kW & above	May 2011
Key Account Manager (KAM)	Schedule D-4	May 31, 2011	General Service 50 kW & above	May 2011
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Schedule C-2	May 31, 2011	General Service 50 kW & above	January 2011
Demand Response 3	Schedule D-6	May 31, 2011	General Service 50 kW & above	May 2011
<b>Home Assistance Program</b>				
Home Assistance Program	Schedule E-1	May 9, 2011	All residential rate classes	October 2012

In addition, results were realized towards LDC's 2011-2014 target through the following pre-2011 programs:

Initiative	Schedule	Date schedule posted	Customer Class
<b>Pre-2011 Programs</b>			
Electricity Retrofit Incentive Program	n/a	n/a	All general service classes

High Performance New Construction	n/a	n/a	All general service classes
Toronto Comprehensive	n/a	n/a	All general service classes
Multifamily Energy Efficiency Rebates	n/a	n/a	All general service classes
Data Centre Incentive Program	n/a	n/a	All general service classes
EnWin Green Suites	n/a	n/a	All general service classes

As per the table below, several program initiatives are no longer available to customer or have not been launched in 2012.

Initiative Not in Market in 2012	Objective	Status
<b>Residential Program</b>		
Midstream Electronics	The objective of this initiative is to encourage retailers to promote and sell high efficiency televisions, and for distributors to distribute high efficiency set top boxes.	Never launched and removed from Schedule in Q2, 2013.
Midstream Pool Equipment	The objective of this initiative is to encourage pool installers to sell and install efficient pool pump equipment in residential in-ground pools.	Never launched and removed from Schedule in Q2, 2013.
Aboriginal Conservation Program	First Nations programs are delivered by the OPA and results are attributed to LDCs for reporting.	Launched in 2013 by OPA.
Home Energy Audit Tool	This is a provincial online audit tool to engage customers in conservation and help drive customer participation to CDM programs.	Never launched and removed from Schedule in Q2, 2013.
<b>Commercial &amp; Institutional Program</b>		
Direct Service Space Cooling	The objective of this initiative is to offer free servicing of air conditioning systems and refrigeration units for the purpose of achieving energy savings and demand reduction.	Not launched to market in 2011/2012. As per the OPA there no plans to launch this Initiative in 2013.
Demand Response 1 ("DR1")	This initiative allows distribution customers to voluntarily reduce electricity demand during certain periods of the year pursuant to the DR 1 contract. The initiative provides DR payment for service for the actual electricity reduction provided during a demand response event.	No customer uptake for this initiative. As a result this Initiative was removed from the Schedule in Q4, 2012.
<b>Industrial Program</b>		

Initiative Not in Market in 2012	Objective	Status
DR1	As above	No customer uptake for this initiative. Removed in Q4, 2012.

The Master CDM Program Agreement includes a program change management provision in Article 3. Collaboration between the OPA and LDCs commenced in 2011, and continued in 2012, as the change management process was implemented to enhance the saveONenergy program suite. The change management process allows for modifications to the Master Service Agreement and initiative Schedules. The program enhancements give LDCs additional tools and greater flexibility to deliver programs in a way that meets the needs of customers and further drives participation in the Initiatives.

## 3.2 Program Descriptions

Full OPA-Contracted Province-Wide CDM Program descriptions are available from the OPA and additional initiative information can be found on the saveONenergy website at <https://saveonenergy.ca>. The targeted customer types, objectives, and individual descriptions for each Program Initiative are detailed in Appendix A.

### 3.2.1 RESIDENTIAL PROGRAMS

**Description:** Provides residential customers with programs and tools to help them understand and manage the amount of energy they use throughout their entire home and help the environment.

**Objective:** To provide incentives to both existing homeowners and developers/builders to motivate the installation of energy efficiency measures in both existing and new home construction.

**Discussion:**

The inclusion of LED technology into the Biannual Retailers events in 2012 and the annual coupons in 2013, as well as some LDC custom-coded coupons, has had a positive effect on consumer engagement. The revamped PeaksaverPLUS program is the main Residential Initiative that drives peak demand savings for LDCs and has been well received by consumers eager to utilize an In Home Display to help manage their energy consumption.

The Residential Program Portfolio is predominately a carryover of Initiatives from previous programs. It is mostly driven by retailers and contractors, many of whom have not fully delivered what was anticipated. Three new initiatives were never launched and subsequently removed from the schedules in 2013 with no new additions. Delays in communication with regards to Initiative offerings and results reporting have hampered LDCs' abilities to engage customers and promote participation. Province-wide advertising has provided limited value due to inconsistency and non-specific messaging.

Work to revitalize and increase the effectiveness and breadth of the Initiatives through the Residential Program needs to be a high priority. There are opportunities within the Residential marketplace that need to be identified, developed and offered to customers. A revised home audit and other Initiatives

that could engage an average residential customer could be considered. Increased control by the LDCs, such as 100% attributable coupons for LDCs and/or LDC-hosted exchange events may present an opportunity for improved saving.

### ***3.2.1.1 Appliance Retirement Initiative (Exhibit D)***

**Initiative Activities/Progress:** WHSI promoted this initiative by advertising on radio, in newspapers, and in magazines and during local events. WHSI cross-promoted programs during Retailer events and deployed a custom Sunny Side Up interactive educational trailer at events. During events, WHSI staff distributed OPA brochures and were able to respond to questions from interested customers. Residential customers have also been phoning in with questions on where to recycle freezers and WHSI has taken that opportunity to promote the initiative.

#### **Additional Comments:**

- With the increase in appliance age to 20 years in 2013, many LDCs increased marketing and outreach throughout 2012 in an effort to increase uptake and achieve savings.
- Due to the duration of the program, and the revised eligibility requirements for appliances to a minimum of 20 years old, this Initiative appears to have reached market saturation and has been under consideration for removal from the Portfolio.
- Rather than strictly remove this Initiative from the schedules, the OPA and LDCs could review what opportunities there are to include other measures such as stoves, dishwashers, washers and dryers. The framework of this Initiative may be a suitable foundation for a more holistic residential appliance retirement program. As such, the Residential portfolio could be straightened through program evolution rather than weakened through diminished program offerings.
- As results are very responsive to province wide advertising, OPA provincial marketing should continue to play a key role.
- The OPA and LDCs can continue working to establish partnerships with Independent retailers and municipalities.

### ***3.2.1.2 Appliance Exchange Initiative (Exhibit E)***

**Initiative Activities/Progress:** WHSI promoted this initiative by advertising on radio, in newspapers, and in magazines and during local events. WHSI cross-promoted programs during Retailer events and deployed a custom Sunny Side Up interactive educational trailer at events. During events, WHSI staff distributed OPA brochures and were able to respond to questions from interested customers. Residential customers have also been phoning in with questions on where to recycle freezers and WHSI has taken that opportunity to promote the initiative.

#### **Additional Comments:**

- This Initiative, eligible measures and incentive amounts are influenced by the retail partner with no direct involvement from the LDCs. The restrictive, limited and sometimes non-participation of local stores can diminish the savings potential for this Initiative.

- To date there has only been one retailer participant in the Appliance Exchange Initiative. The Fall events have not had retailer participation, therefore savings budgeted by the LDCs have not materialized.
- Evaluation, Measurement, and Verification (EMV) results indicated that the value of savings for retired room air conditioners (ACs) has dropped resulting in the retail participant not accepting window ACs during the Spring 2013 event.
- Notification regarding retailer participation and eligible measures continues to be delayed. Improved communications will aid in appropriate resource allocation and marketing of the Initiative.
- This Initiative may benefit from the disengagement of the retailer and allowing LDCs to conduct these events, possibly as part of a larger community engagement effort, with the backing of ARCA for appliance removal.
- The initiative appears to require more promotion from retailers and LDCs.

### ***3.2.1.3 HVAC Incentives Initiative (Exhibit B)***

**Initiative Activities/Progress:** WHSI promoted this initiative by advertising on radio, in newspapers, and in magazines and during local events. WHSI cross-promoted programs during Retailer events and deployed a custom Sunny Side Up interactive educational trailer at events. During events, WHSI staff distributed OPA brochures and were able to respond to questions from interested customers. WHSI staff have spoken with contractors, and provided information on the rules and benefits of the initiative from the perspective of the contractor. Contact has been both over the telephone and through one-on-one meetings. This engagement has led to three of six local contractors actively participating in this initiative.

#### **Additional Comments:**

- Incentive levels appear to be insufficient to prompt Participants to upgrade HVAC equipment prior to end of useful life. It is hoped that the introduction of an Air Miles incentive in 2013 may help with this.
- This Initiative is contractor-driven with LDCs responsible for marketing efforts to customers. More engagement with the HVAC contractor channel should be undertaken to drive a higher proportion of furnace and CAC sales to eligible units.
- Channel partners require timeliness of the Rebate process to maintain a positive relationship between consumers, contractors, the OPA, and the participating LDC. Due to a contracting delay no applications were processed from approximately the end of October 2012 to February 2013.
- LDC HVAC reports have been delayed and are not as complete and accurate as are required by LDCs to make adjustments to their marketing strategies.
- In an effort to build capacity, mandatory training has been instituted for all participating HVAC contractors. This could present too much of a barrier for participation for some contractors as the application process already presents a restriction to contractor sales. It has been noted that there are

approximately 4,500-5,000 HVAC contractors in the province, however only 1,500 are participating in program.

- There are cases where non-participating contractors are offering their own incentives (by discounting their installations to match value of the OPA incentive) to make the sale. As this occurs outside of the Initiative, these installations should be attributed to the appropriate LDC.

#### ***3.2.1.4 Conservation Instant Coupon Initiative (Exhibit A)***

**Initiative Activities/Progress:** WHSI promoted this initiative by advertising on radio, in newspapers, and in magazines and during local events. WHSI cross-promoted programs during Retailer events and deployed a custom Sunny Side Up interactive educational trailer at events. During events, WHSI staff distributed OPA brochures, coupons and giveaways (like CFLs) and were able to respond to questions from interested customers. WHSI has also relied on provincial marketing for this initiative and promotion through its CDM microsite. WHSI promoted this event by using local retailers as channels and by driving customers to the WHSI website to print off coupons.

#### **Additional Comments:**

- This Initiative was ineffective for most of 2012 as the Instant coupons (annual) were not available to consumers until September 2012. As such, savings budgeted by LDCs did not materialize.
- The timeframe for retailer submission of redeemed coupons vary from retailer to retailer and in some cases has been lengthy. The delays and incomplete results reporting limit the ability to react and respond to Initiative performance or changes in consumer behaviour. This also resulted in the delayed launch of the Initiative in 2012.
- Coupon booklets were not printed and mailed out in 2012. As such, Coupons were not widely available to consumers without the ability to download and print them.
- Without provincial coupon distribution, and with the delay in Initiative launch, consumers may not have been aware of the online coupons. This Initiative could benefit from provincial marketing as a substitute to distribution.
- LDCs should be able to custom code all coupons to provide 100% allocation and push specific coupons based on localized needs.
- The product list could be distinctive from the Bi-Annual Retailer Event Initiative in order to gain more consumer interest and uptake.
- Program evolution, including new products and review of incentive pricing for the coupon Initiatives, should be a regular activity to ensure continued consumer interest.

#### ***3.2.1.5 Bi-Annual Retailer Event Initiative (Exhibit C)***

**Initiative Activities/Progress:** WHSI has relied on provincial marketing for this initiative and promotion through its CDM microsite. WHSI increased the effectiveness of these events by having trained staff set up



information displays at retailers during events. WHSI used this opportunity to cross promote other programs and answer questions from interested customers.

**Additional Comments:**

- This Initiative is strongly influenced by the retail participants and has no direct involvement from the LDCs.
- The product list has changed very little over the past four years.
- Limited engagement of local retailers can restrict the savings potential for this Initiative.
- Program evolution, including new products and review of incentive pricing for the coupon Initiatives, must be a regular activity to ensure continued consumer interest.
- The product list could be distinctive from the Conservation Instant Coupon Initiative in order to gain more consumer interest and uptake.
- A review conducted by the Residential Working Group in Q4 2011 identified three areas of need for Initiative evolution: 1) introduction of product focused marketing; 2) enhanced product selection; and 3) improved training for retailers, as retail staff tend not to be knowledgeable regarding the products or promotion.
- LDCs should be able to custom code all coupons to provide 100% allocation and push specific coupons based on localized needs.
- Communications regarding retailer participation continues to be delayed. Improved communications will aid in appropriate resource allocation and marketing of the Initiative.
- This Initiative may benefit from a more exclusive relationship with a retailer appropriate to the program. There should be a value proposition for both the retailer and LDC.

**3.2.1.6 Retailer Co-op**

**Initiative Activities/Progress:** WHSI did not actively promote this initiative.

**Additional Comments:**

- This is a retailer Initiative with no direct benefit to the LDCs
- Limited engagement of local retailers can restrict the savings potential for this Initiative.
- The availability of retailer and/or LDC staff with product knowledge and the ability to conduct demonstrations in stores during the events would be an asset. This could be a valuable role for LDCs, however many LDCs are limited by available resources and unable to participate.

### ***3.2.1.7 New Construction Program (Schedule B-2)***

**Initiative Activities/Progress:** WHSI contacted local builders personally to set up one-on-one meetings to promote the program. Unfortunately, builders responded that the program requirements were too cumbersome and that there was too much paperwork for too small an incentive.

**Additional Comments:**

- This Initiative provides incentives to home builders for incorporating energy efficiency into their buildings. To support this, LDCs need to provide education to the consumers regarding the importance of choosing the energy efficient building upgrade options without an immediate benefit to the consumer.
- Following limited participation in 2011, the application process was revisited in 2012 to streamline administration in response to builder feedback. Participation levels are expected to grow but there will be a lag in the materialization of results, as homes that have been pre-approved could take a year or more to be completed.
- Administrative requirements, in particular individual home modeling, must align with perceived stakeholder payback. Through the EDA Working Groups, changes are being processed through change management for 2013. However, the lengthy change management process has resulted in continued non-participation from builders.

### ***3.2.1.8 Residential Demand Response Program (Schedule B-3)***

**Initiative Activities/Progress:** WHSI has made progress to identify potential peaksaverPLUS™ technologies. WHSI had previously delivered in home displays to its customers, but these displays were not compatible with smart meter requirements. WHSI decided to wait until the technology matured and issues were worked out before proceeding with the program. WHSI selected a delivery agent for the program in 2012 in preparation for a 2013 launch.

**Additional Comments:**

- The schedule for Peaksaver Plus was posted in August 2011, but this did not provide adequate time for product procurement for 2011 and part of 2012. The product procurement process uncovered that the In Home Display units that communicate with installed smart meter technology were still in development and not ready for market deployment. Consequently, LDCs could not be in market with the Peaksaver Plus program until 2012 or later, which has resulted in delayed savings.
- Smart Meters installed by most LDCs do not have the capability to communicate directly to an In Home Display. When proposing technical Initiatives that rely on existing LDC hardware or technology there should be an extensive consultative process.
- Introduction of new technology requires incentives for the development of such technology. Appropriate lead times for LDC analysis and assessment, product procurement, and testing and integration into the Smart Meter environment are also required. Making seemingly minor changes to

provincial technical specifications can create significant issues when all LDCs attempt to implement the solution in their individual environments.

- The variable funding associated with installing a load controllable thermostat is not sufficient unless it is combined with an In Home Display (IHD), which might not be possible in all cases and when the IHD is optional.
- This is the main Initiative within the Residential portfolio that drives peak demand savings for LDCs.
- Given the different smart meter environments and needs of individual LDCs, each LDC is positioning the Initiative slightly different. As such, greater program flexibility is required to address unique LDC needs.
- Provincial wide marketing needs to be sensitive to the variations of the Initiative and provide solid, consistent messaging.
- There currently is not an avenue for participants without the ability to provide demand response capabilities to obtain an IHD and gain energy saving benefits.

### **3.2.2 COMMERCIAL AND INSTITUTIONAL PROGRAM**

**Description:** Provides commercial, institutional, agricultural and industrial organizations with energy-efficiency programs to help reduce their electrical costs while helping Ontario defer the need to build new generation and reduce its environmental footprint. Programs are designed to help fund energy audits, to replace energy-wasting equipment or to pursue new construction that exceeds our existing codes and standards. Businesses can also pursue incentives for controlling and reducing their electricity demand at specific times.

**Targeted Customer Type(s):** Commercial, Institutional, Agricultural, Multi-family buildings, Industrial

**Objective:** Designed to assist building owners and operators as well as tenants and occupants in achieving demand and energy savings, and to facilitate a culture of conservation among these communities, as well as the supply chains that serve them.

**Discussion:**

Throughout 2011 and 2012 the Commercial and Institutional (C&I) Working Group has strived to enhance the existing C&I programs and rectify identified program and system deficiencies. This has proven to be a challenging undertaking, normally taking months to complete sometimes relatively minor changes due to the current CDM framework. Overbuilt governance, numerous initiative requirements, complex program structure and lengthy change management have restricted growth without providing the anticipated improved Measurement and Verification results. In addition, Evaluation, Measurement and Verification (EM&V) has not yet achieved transparency. LDCs are held accountable for these results yet are mostly completely removed from the process.

LDC program management has been hampered by varying rule interpretations, limited marketing ability, a somewhat inflexible online system of checks and balances and revolving OPA support personnel.

Despite these challenges, the C&I Working Group, working in cooperation with the OPA, have managed to iron out many of the issues that could be rectified. In particular, an accomplishment of 2012 was the advent of the expedited change management process as means to accelerate certain program changes.

Looking ahead there is minimal opportunity to make valuable changes to the current program suite and have these changes reflected in LDC 2014 results. LDCs and the OPA should look beyond the current Initiatives and work to launch new programs, built on the strengths of the 2011-2014 programs, which will meet the needs of the industry and consumers.

### ***3.2.2.1 Efficiency: Equipment Replacement Incentive (ERII) (Schedule C-2)***

**Initiative Activities/Progress:** WHSI has been very active in promoting ERII with one-on-one meetings with prospective participants, holding information/promotion sessions, and meeting with potential participants at Chamber of Commerce meetings. The full suite of appropriate programs are cross-promoted during interactions with customers. WHSI makes regular contact with larger customers to discuss potential plans and possible programs that could be applied for. Staff have found that customers are generally interested and there has been healthy take-up in this initiative. WHSI has a long history with the successive versions of this program and customers have responded positively over the years. Customers have become familiar with the program and many have proceeded to other technologies after having a positive experience with a lighting application.

#### **Additional Comments:**

- It appears that the marketplace largely understands the programs now and a large proportion of LDC savings are attributed to ERII.
- The centralized process review used for 2012 project payment has been streamlined by the OPA and payments for projects were greatly improved – faster and more consistent compared to 2011.
- Capability-building programs from the Industrial program have had very positive contributions to ERII.
- This Initiative is limited by the state of the economy and the ability of commercial/institutional facilities to complete capital upgrades.
- A number of customer-facing issues in the CRM (the OPA centralized application system) have been resolved; however key LDC administrative back office processing issues continue to be a challenge.
- Applicants and Applicant Representatives continue to express dissatisfaction and having had difficulty with the online application system. This issue has been addressed by LDCs through application training workshops, Key Account Managers, channel partner/contractor training and LDC staff acting as customer Application Representatives. Although this has been an effective method of overcoming these issues and encouraging submissions, it also reflects on the complexity and time-consuming nature of the application process. As such, Applicant Representatives continue to influence the majority of applications submitted. Continued development of Channel Partners is essential to program success.

- Lighting is still the most popular measure. Other market sectors are not as engaged yet, specifically the mechanical world. There continues to be significant barriers to program participation from HVAC (Unitary AC) and compressed air channel partners
- Prescriptive and Engineered worksheets provide a much needed simplified application process for customers. However, the eligible measures need to be updated and expanded in both technology and incentive amounts to address changing product costs and the evolution of the marketplace.
- Expanding the capacity of the engineered applications can offer customers an opportunity to maximize savings and incentives. Recognizing this, Toronto Hydro and London Hydro worked together to develop and provide the OPA with compressed air engineered worksheets for inclusion in the Initiative in Q3, 2012. To date, these have not been accepted by the OPA and provided to LDCs for use.
- An identified deficiency in the various renditions of the equipment replacement programs is the “hard stop” of the program as of a specific date. Without a streamlined transition into a new program, many customers become frustrated and refused to participate. LDCs struggle to repair customer and channel partner relationships and gain momentum in the market place once again.
- While the Ministerial Directive provides continuity of the conservation programs for the participant, unclear direction on LDC administrative funding could result in many LDCs ‘ramping down’ programs in 2015. The establishment of defined administrative funding for 2015 is required to avoid a “stop and start” process.

### ***3.2.2.2 Direct Install Initiative (DIL) (Schedule C-3)***

**Initiative Activities/Progress:** WHSI has been actively promoting this initiative by holding information sessions for eligible businesses, meeting with contractors to explain the details of the initiative, and cold calling eligible general service customers. WHSI staff have also marketed the program during sessions with Woodstock’s Chamber of Commerce. The full suite of appropriate programs are cross-promoted during interactions with customers. WHSI assists contractors promoting the program by meeting with or contacting customer leads identified by the contractors in order to lend legitimacy to the program.

#### **Additional Comments:**

- Successful execution of the previous rendition of this Initiative has resulted in diminished potential for the 2011-2014 Initiative in the service territories of some LDCs.
- The inclusion of a standard incentive for additional measures increased project size and drove higher energy and demand savings results in some situations.
- Currently LDCs are unable to offer these standard incentives to prior participants. The ability to return to prior participants and offer a standard incentive on the remaining measures has potential to provide additional energy and demand savings.
- The margins of participating installation Electrical contractors have been reduced due to no labour rate increase, increased cost of materials, greater distances between retrofits, more door knocking

required before a successful sale and no funding for lifts. This has led to a reduction in vendor channel participation in some regions.

- Ambiguity with regard to eligibility resulted in large lists of customers rejected following installation due to perceived ineligibility. Due to this, some LDCs were forced to carry considerable financial burden while this was worked through.
- The eligibility requirements have now been revamped and expanded however there has been limited communication and documentation of this to the marketplace.

### ***3.2.2.3 Existing Building Commissioning Incentive Initiative (Schedule C-6)***

**Initiative Activities/Progress:** WHSI staff has spoken to interested customers, but there is a limited market and little interest in this initiative.

#### **Additional Comments:**

- Initiative name does not properly describe the Initiative.
- There was minimal participation for this Initiative. It is suspected that the lack of participation in the program is a result of the Initiative being limited to space cooling and a limited window of opportunity (cooling season) for participation.
- Participation is mainly channel partner driven, however the particulars of the Initiative have presented too significant a barrier for many channel partners to participate.
- The customer expectation is that the program be expanded to include a broader range of measures for a more holistic approach to building recommissioning and chilled water systems used for other purposes should be made eligible and considered through Change Management.
- This initiative should be reviewed for incentive alignment with ERII, as currently a participant will not receive an incentive if the overall payback is less than 2 years.

### ***3.2.2.4 New Construction and Major Renovation Initiative (HPNC) (Schedule C-4)***

**Initiative Activities/Progress:** WHSI has contracted with Enbridge and Union Gas to deliver this program. WHSI has used its position on the municipal economic committee to identify new industry arriving in town that would benefit from participation in this initiative. WHSI contacts potential new customers about the initiative and provides leads to the delivery agents.

#### **Additional Comments**

- There is typically a long sales cycle for these projects, and then a long project development cycle. As the program did not launch until mid-2011 and had limited participation, results did not appear in 2011. Minimum results are expected to appear in 2012. The majority of the results are expected in 2013-2014, with a reduced benefit to cumulative energy savings targets.

- With the Ministerial Directive facilities with a completion date near the end of 2014 currently have some security that they will be compensated for choosing efficient measures.
- The estimated completion dates submitted by participants tend to be inaccurate and projects are usually 6 months longer. This could result in diminished savings towards targets when facilities are not substantially completed by December 31, 2014.
- The custom application process requires considerable customer support and skilled LDC staff. As there has been no defined administrative funding beyond 2014, many LDCs are unsure how these project applications will be finalized.
- The effort required to participate through the custom stream exceeds the value of the incentive for many customers.
- This Initiative has a very low Net-to-Gross ratio, which results in half the proposed target savings being 'lost'.

### ***3.2.2.5 Energy Audit Initiative***

**Initiative Activities/Progress:** WHSI staff have promoted this initiative through face-to-face meetings with potential participants and through information sessions and Chamber of Commerce meetings. The full suite of appropriate programs are cross-promoted during interactions with customers. WHSI makes regular contact with larger customers to discuss potential plans and possible programs that could be applied for. Staff have found that customers are generally interested and there has been healthy take-up in this initiative. WHSI worked with a local auditor on a concentrated campaign involving setting up meetings specifically to promote the Audit Initiative two days per week over the course of a month in 2012. This led to a number of applications in 2013.

- Customer uptake was limited in 2011, however improved throughout 2012, especially with the new audit component for one system (i.e. compressed air).
- The energy audit Initiative is considered an 'enabling' Initiative and 'feeds into' other saveONenergy Initiatives. There are limited savings attributed to LDC targets from an audit.
- Audit reports from consultants vary considerably and in some cases, while they adhere to the Initiative requirements, do not provide value for the Participant. A standard template with specific energy saving calculation requirements should be considered.
- Customers look to the LDCs to recommend audit companies. A centralized prequalified list provided by the OPA may be beneficial.
- Participants are limited to one energy audit, which restricts enabling and direction to the other Initiatives. This Initiative should be evaluated for additional customer participation when presented with a new scope of work.

### 3.2.3 INDUSTRIAL PROGRAM

**Description:** Large facilities are discovering the benefits of energy efficiency through the Industrial Program, which is designed to help identify and promote energy saving opportunities. It includes financial incentives and technical expertise to help organizations modernize systems for enhanced productivity and product quality, as well as provide a substantial boost to energy productivity. This allows facilities to take control of their energy so they can create long-term competitive energy advantages that reach across the organization.

**Targeted Customer Type(s):** Industrial, Commercial, Institutional, Agricultural

**Objective:** To provide incentives to both existing and new industrial customers to motivate the installation of energy efficient measures and to promote participation in demand management.

**Discussion:**

The Industrial Program Portfolio has been able to provide valuable resources to large facilities such as Energy Managers and enabling Engineering Studies. The Engineering Studies in particular provide a unique opportunity for a customer to complete a comprehensive analysis of an energy intensive process that they would not otherwise be able to undertake. Energy Managers provide customers with a skilled individual whose only role is to assist them with conservation initiatives. To date these Energy Managers have played a key role in customer participation.

Due to the size, scope and long lead time of these Initiatives and associated projects, the Ministerial Directive provides some security for the continuation of the conservation programs and associated compensation for the participant; however the subsequent savings would not be attributed to any LDC target.

Extensive legal documents, complex program structure and lengthy change management process have restricted the change and growth of this program. While the expedited change management process has benefited the Commercial and Institutional Program, the Industrial Program has not seen the same results due to the narrow scope of the process. For 2013, a change to the threshold for small capital projects and a new small capital project agreement are expected to improve the number of projects and savings achieved within PSUI. Likewise, a decision to proceed with natural gas load displacement generation projects will also increase uptake, although results may not be counted towards LDC targets due to in-service dates that are beyond 2014. Looking ahead there is minimal opportunity to make additional valuable changes to the current program suite and have these changes reflected in LDC 2014 results

#### ***3.2.3.1 Process & Systems Upgrades Initiative (PSUI) (Schedule D-1)***

**Initiative Activities/Progress:** WHSI has been very active in promoting PSUI with one-on-one meetings with prospective participants, holding information/promotion sessions, and meeting with potential participants at Chamber of Commerce meetings. The full suite of appropriate programs are cross-promoted during interactions with customers. WHSI makes regular contact with larger customers to discuss potential plans and possible programs that could be applied for.



**Additional Comments:**

- Approximately 100 engineering study applications have been submitted. This is a strong indication that there is the potential for large projects with corresponding energy savings. Most of these studies have been initiated through the Energy Manager and KAM resources.
- This Initiative is limited by the state of the economy and the ability of a facility to complete large capital upgrades.
- There is typically a long sales cycle for these projects, and then a long project development cycle. As such, limited results are expected to be generated in 2012. The majority of the results are expected in 2013-2014, with a much-reduced benefit to cumulative energy savings targets.
- Delays with processing funding payments have caused delayed payments to Participants beyond contract requirements. In some cases, LDCs have developed a separate side agreement between the LDC and Participant acknowledging that the Participant cannot be paid until the funds are received from the OPA.
- The contract required for PSUI is a lengthy and complicated document. A key to making PSUI successful is a new agreement for 'small' projects that is simplified with less onerous conditions for the customer.
- To partially address this, changes were made to ERII that allowed smaller projects to be directed to the Commercial stream. . Most industrial projects to date have been submitted as ERII projects due to less onerous contract and M&V requirements.
- A business case was submitted by the Industrial Working Group in July 2012 that would change the upper limit for a small project from 700 MWh to 1 million dollars in incentives. This would allow more projects to be eligible for the new small capital project agreement and increase participant uptake, while still protecting the ratepayer. The small capital project agreement was finalized through change management in August 2013).
- While there was considerable customer interest in on-site Load Displacement (Co-Generation) projects, in 2012 the OPA was accepting waste heat/waste fuel projects only. Natural gas generation projects were on hold awaiting a decision on whether PSUI will fund these types of projects. In June 2013, a decision was made to allow natural gas load displacement generation projects to proceed under PSUI. It is expected that a number of projects will proceed although results may not be counted towards LDC targets due to in-service dates beyond 2014.

**3.2.3.2 Monitoring & Targeting Initiative (Schedule D-2)**

**Initiative Activities/Progress:** WHSI has been very active in promoting M&T with one-on-one meetings with prospective participants, holding information/promotion sessions, and meeting with potential participants at Chamber of Commerce meetings. The full suite of appropriate programs are cross-promoted during interactions with customers. WHSI makes regular contact with larger customers to discuss potential plans and possible programs that could be applied for.

**Additional Comments:**

- The M&T initiative is targeted at larger customers with the capacity to review the M&T data. This review requires the customer facility to employ an Energy Manager, or a person with equivalent qualifications, which has been a barrier for some customers. As such, a limited number of applications have been received to date.
- The savings target required for this Initiative can present a significant challenge for smaller customers.
- Through the change management process in 2013, changes are being made to ERII to allow smaller facilities to employ M&T systems.

**3.2.3.3 Energy Manager Initiative (Schedule D-3)**

**Initiative Activities/Progress:** WHSI shares an Energy Manager for Fanshawe College with London Hydro. Although there were no energy savings reported from EM activities in 2012, WHSI foresees savings in the pipeline for 2013.

**Additional Comments:**

- The Energy Managers have proven to be a popular and useful resource for larger customers. There are approximately 70 Embedded Energy Managers (EEMs) and 25 Roving Energy Managers (REMs) being utilized by customers across the province.
- LDCs that are too small to qualify for their own REM are teaming up with other utilities to hire an REM to be shared by the group of utilities.
- At the beginning, it took longer than expected to set up the energy manager application process and unclear communication resulted in marketing and implementation challenges for many LDCs.
- Some LDCs and Customers are reporting difficulties in hiring capable REMs and EEMs, in some instances taking up to 7 months to have a resource in place.
- New energy managers require training, time to familiarize themselves with facilities and staff and time to establish “credibility”. Energy Managers started filling their pipeline with projects, but few projects were implemented in 2012.
- Delays with processing EEM payments caused LDCs to delay payments to Participants beyond contract requirements.
- There have been a number of studies identified by Energy Managers and they have been able to build capacity and deliver energy saving projects within their respective large commercial/industrial facilities.
- The requirement that 30% of the target of each Energy Manager must come from non-incented projects is identified as an issue for most REMs, although final targets are not due to be met until

2013. The Industrial Working Group has proposed to remove this requirement for REMs only as they are not resident full time at a customer facility to find the non-incented savings.

- A decision on extending funding for EM's is required in 2013 for this important Initiative, which should continue beyond 2014. Otherwise, these expert resources will be lost to full-time employment elsewhere.

#### **3.2.3.4 Key Account Manager (Schedule D-4)**

**Initiative Activities/Progress:** There has been no take up of this initiative in the WHSI service territory

##### **Additional Comments**

- Customers appreciate dealing with a single contact to interface with an LDC, a resource that has both the technical and business background who can communicate easily with the customer and the LDC.
- Finding this type of skill set has been difficult. In addition, the short-term contract and associated energy targets discourage some skilled applicants resulting in longer lead times to acquire the right resource.
- This resource has been found by some LDCs to be of limited value due to the part-time nature of the position and limited funding. In addition, the role of the KAM has been too narrow in scope to provide assistance to the wider variety of projects LDCs may be struggling with.
- A decision on extending funding for KAMs is required in 2013 for this important Initiative, which should continue beyond 2014. Otherwise, these expert resources will be lost to full-time employment elsewhere.

#### **3.2.3.5 Demand Response 3 (D-6)**

**Initiative Activities/Progress:** WHSI has been very active in promoting DR3 with one-on-one meetings with prospective participants, holding information/promotion sessions, and meeting with potential participants at Chamber of Commerce meetings. The full suite of appropriate programs are cross-promoted during interactions with customers. WHSI makes regular contact with larger customers to discuss potential plans and possible programs that could be applied for. WHSI is working with all three aggregators in its service territory to promote participation in DR3. Unfortunately, WHSI is in a discounted zone and this has dampened interest from customers, as the financial benefits don't always outweigh the costs of participating in the program.

##### **Additional Comments:**

- Until early 2013, customer data was not provided by the OPA to LDCs on an individual customer basis due to contractual requirements with the aggregators. This limited LDCs' ability to effectively market to prospective participants and verify savings.
- No program improvements were made in 2012 however, it was accepted that prior participants who renew their DR3 contract within the 2011-2014 term will contribute to LDC targets.

- As of 2013, Aggregators are able to enter into contracts beyond 2014. This has allowed them to offer a more competitive contract price (5 year) than if limited to 1 or 2 year contracts.
- Metering and settlement requirements are expensive and complicated and can reduce customer compensation amounts, and present a barrier to smaller customers.
- Compensation amounts for new contracts and renewals have been reduced from the initial launch of this program (premium zones and 200-hour option have been discontinued) and subsequently there has been a corresponding decrease in renewal revenue.

### **3.2.4 LOW INCOME INITIATIVE (HOME ASSISTANCE PROGRAM) (Schedule E-1)**

**Initiative Activities/Progress:** WHSI promoted this initiative by advertising on radio, in newspapers, and in magazines and during local events. WHSI cross-promoted programs during Retailer events and deployed a custom Sunny Side Up interactive educational trailer at events. During events, WHSI staff distributed OPA brochures, coupons and giveaways (like CFLs) and were able to respond to questions from interested customers. WHSI has been working closely with Oxford County in conducting outreach to eligible customers and this has proven quite successful. Roughly 80% of participants have been driven to the program through Oxford County.

#### **Additional Comments:**

- Awareness of the program amongst social agencies took time to develop. Benefits started to become evident in late 2012.
- Centralized payment processes were not developed in 2011. The payment process was established in 2012.
- The process for enrolling in social housing was complicated and time consuming. This was addressed in late 2012 and is showing benefits in 2013.
- The financial scope, complexity, and customer privacy requirements of this Initiative are challenging for LDCs and most have contracted this program out. This Initiative may benefit from an OPA contracted centralized delivery agent.

### **3.2.5 PRE-2011 PROGRAMS**

Savings were realized towards LDC's 2011-2014 target through pre-2011 programs. The targeted customer types, objectives, descriptions, and activities of these programs are detailed in Appendix B

## 4. 2012 LDC CDM Results

### 4.1 Participation and Savings

The table on the following page shows the OPA EM&V results for 2011 and 2012 for WHSI, showing participation, energy savings and demand reduction values by program, **without adjustment**

Table 1: Woodstock Hydro Services Inc. Initiative and Program Level Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)					
		2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Net Savings (kWh)				
														2014	2014				
<b>Consumer Program</b>																			
Appliance Retirement	Appliances	153	116			9	7			64,846	46,196			16	397,569				
Appliance Exchange	Appliances	12	14			1	2			1,782	3,690			3	17,621				
HVAC Incentives	Equipment	443	385			128	89			239,663	157,052			217	1,429,807				
Conservation Instant Coupon Booklet	Items	1,276	79			3	1			47,678	3,563			4	201,400				
Bi-Annual Retailer Event	Items	2,218	2,704			4	4			74,890	68,250			8	504,311				
Retailer Co-op	Items	0	0			0	0			0	0			0	0				
Residential Demand Response (switch/pstat)	Devices	0	0			0	0			0	0			0	0				
Residential Demand Response (IHD)	Devices	0	0			0				0				0	0				
Residential New Construction	Homes	0	0			0	0			0	0			0	0				
<b>Consumer Program Total</b>						<b>146</b>	<b>102</b>			<b>428,859</b>	<b>278,752</b>			<b>247</b>	<b>2,550,709</b>				
<b>Business Program</b>																			
Retrofit	Projects	7	30			20	188			162,233	891,320			205	3,314,209				
Direct Install Lighting	Projects	53	83			65	73			163,837	278,643			123	1,450,659				
Building Commissioning	Buildings	0	0			0	0			0	0			0	0				
New Construction	Buildings	0	0			0	0			0	0			0	0				
Energy Audit	Audits	0	2			0	10			0	50,353			10	151,058				
Small Commercial Demand Response	Devices	0	0			0	0			0	0			0	0				
Small Commercial Demand Response (IHD)	Devices	0	0			0				0				0	0				
Demand Response 3	Facilities	1	1			36	37			1,421	531			0	1,952				
<b>Business Program Total</b>						<b>121</b>	<b>308</b>			<b>327,492</b>	<b>1,220,847</b>			<b>338</b>	<b>4,917,877</b>				
<b>Industrial Program</b>																			
Process & System Upgrades	Projects	0	0			0	0			0	0			0	0				
Monitoring & Targeting	Projects	0	0			0	0			0	0			0	0				
Energy Manager	Projects	0	0			0	0			0	0			0	0				
Retrofit	Projects	3				47				261,784				47	1,047,137				
Demand Response 3	Facilities	4	3			1,990	776			116,797	18,704			0	135,500				
<b>Industrial Program Total</b>						<b>2,037</b>	<b>776</b>			<b>378,581</b>	<b>18,704</b>			<b>47</b>	<b>1,182,638</b>				
<b>Home Assistance Program</b>																			
Home Assistance Program	Homes	0	18			0	2			0	18,650			2	55,951				
<b>Home Assistance Program Total</b>						<b>0</b>	<b>2</b>			<b>0</b>	<b>18,650</b>			<b>2</b>	<b>55,951</b>				
<b>Pre-2011 Programs completed in 2011</b>																			
Electricity Retrofit Incentive Program	Projects	20	0			517	0			3,423,067	0			517	13,692,267				
High Performance New Construction	Projects	1	0			114	0			584,202	279			114	2,337,643				
Toronto Comprehensive	Projects	0	0			0	0			0	0			0	0				
Multifamily Energy Efficiency Rebates	Projects	0	0			0	0			0	0			0	0				
LDC Custom Programs	Projects	0	0			0	0			0	0			0	0				
<b>Pre-2011 Programs completed in 2011 Total</b>						<b>630</b>	<b>0</b>			<b>4,007,268</b>	<b>279</b>			<b>631</b>	<b>16,029,910</b>				
<b>Other</b>																			
Program Enabled Savings	Projects	0	0			0	0			0	0			0	0				
Time-of-Use Savings	Homes																		
<b>Other Total</b>														<b>0</b>	<b>0</b>				
<b>Adjustments to Previous Year's Verified Results</b>							<b>128</b>				<b>997,615</b>			<b>127</b>	<b>3,987,090</b>				
<b>Energy Efficiency Total</b>						<b>908</b>	<b>376</b>			<b>5,023,982</b>	<b>1,517,997</b>			<b>1,265</b>	<b>24,599,632</b>				
<b>Demand Response Total (Scenario 1)</b>						<b>2,026</b>	<b>813</b>			<b>118,218</b>	<b>19,235</b>			<b>0</b>	<b>137,452</b>				
<b>OPA-Contracted LDC Portfolio Total (inc. Adjustments)</b>						<b>2,935</b>	<b>1,317</b>			<b>5,142,200</b>	<b>2,534,847</b>			<b>1,392</b>	<b>28,724,115</b>				
Activity & savings for Demand Response resources for each year and quarter represent the savings from all active facilities or devices contracted since January 1, 2011.										Due to the limited timeframe of data, which didn't include the summer months, 2012 IHD results have been deemed inconclusive. The IHD line item on the 2012 annual report will be left blank. Once a full year of data is available (2013 evaluation), and the savings are quantified, 2012 results will be updated to reflect the quantified savings.									
										<b>Full OEB Target:</b>				<b>4,490</b>	<b>18,880,000</b>				
										<b>% of Full OEB Target Achieved to Date (Scenario 1):</b>				<b>31.0%</b>	<b>152.1%</b>				

**Table 2: Summarized Program Results**

Program	Gross Savings*		Net Savings		Contribution to Targets	
	Incremental Peak Demand Savings (MW)	Incremental Energy Savings (GWh)	Incremental Peak Demand Savings (MW)	Incremental Energy Savings (GWh)	Program-to-Date: Net Annual Peak Demand Savings (MW) in 2014	Program-to-Date: 2011-2014 Net Cumulative Energy Savings (GWh)
Consumer Program Total	0.20	0.50	0.10	0.28	0.25	2.55
Business Program Total	0.33	1.47	0.31	1.22	0.34	4.92
Industrial Program Total	0.78	0.02	0.78	0.02	0.05	1.18
Home Assistance Program Total	0.00	0.02	0.00	0.02	0.00	0.06
Pre-2011 Programs completed in 2011 Total	0.00	0.00	0.00	0.00	0.63	16.03
<b>Total OPA Contracted Province-Wide CDM Programs</b>	<b>1.31</b>	<b>2.01</b>	<b>1.19</b>	<b>1.54</b>	<b>1.27</b>	<b>24.74</b>

## **4.2 Evaluation**

The following is a summary of the 2012 EM&V findings for each of the OPA-Contracted Province-Wide CDM Programs, prepared by the OPA in coordination with the Reporting Working Group.

### **4.2.1 Consumer Program**

#### ***4.2.1.1 Bi-Annual Coupons***

- 15% lower net savings due to a change in the net-to gross factors (increased free-ridership, less participant behavior spillover, and less non-participant-like spillover).
- Majority of participation, energy, & demand savings are from standard CFLs.
- 15% of net savings due to ~73,000 coupons for new LED measures

#### ***4.2.1.2 Annual Coupons***

- The number of coupons associated with the redemption of 2012 Annual Coupons was 90% lower than 2011 Instant Coupon Booklet. Key factors for the decrease include:
  - Shorter duration of available coupons (September 2012 – December 2012)
  - In 2012, only online coupons were available
    - 2011 had both online coupons AND coupon mailing booklets.

#### ***4.2.1.3 HVAC***

- Small decrease (10%) in per unit savings assumptions for furnace with ECM due to change in 2012 customer mix and furnace fan usage.
- Small increase (10%) in free-ridership related to the furnace with ECM measure.
- Participation remains relatively steady once 2011 true-up values are included.

#### ***4.2.1.4 Appliance Retirement***

- Decrease in 2012 participation by 39% compared to 2011.
- In-site metering provided updated per unit assumptions:
  - Small decrease (3.5%) in savings for refrigerators; and
  - Sizeable increase (17.5%) in savings for freezers



#### **4.2.1.5 Appliance Exchange**

- Increase of 30% for exchanged dehumidifiers over 2011, leading to an increase of 4% in overall participation.
- Higher per unit savings for dehumidifiers drove the overall increase in 2012 savings.

#### **4.2.1.6 PeaksaverPLUS**

- Province-wide per-unit ex ante estimates for a 1-in-10 August peak day were determined to be 0.50 kW for residential CACs and 0.64 kW for small commercial CACs.
- Evaluation to date has indicated savings from in-home displays (IHDs) are not statistically significant (in and around zero).
  - However, since 2012 evaluation did not include full year analysis (specifically the summer months), these results have been deemed inconclusive.
- The IHD offer had a positive influence on enrollment and re-enrollment with between 20 to 35% of new enrollees indicating that they wouldn't have enrolled without the IHD offer.

#### **4.2.1.7 Residential New Construction**

- All projects are opting for the prescriptive or performance path - there have been no custom project applications to date.

### **4.2.2 Business Programs**

#### **4.2.2.1 Retrofit**

- Reported savings for prescriptive lighting projects continue to be overstated:
  - Verified wattage reductions were 15% higher than assumed; and
  - Verified operating hours were 11% higher than assumed.
- A lower realization rate in the engineered measure track can be partially explained by overstated lighting operation hour assumptions reported on the application.
- Net-to-gross ratios for the initiatives were above 75% in 2012, which is consistent with 2011.

#### **4.2.2.2 Small Business Lighting**

- Reported hours of usage continue to be inaccurate - only 12% of site visits had verified annual hours of use within +/-10% of the assumed value.
- The saturation of eligible customers and preferred business types are resulting in participation from building types that may not fully operate during the summer peak period.

- This trend contributes to lower realization rates for demand savings in 2012.
- Due to changing regulations in lighting measures, the assumed baseline technology will eventually be phased out. This regulation impacts the persistence of savings over the lifetime of lighting measures.

#### ***4.2.2.3 Existing Building Commissioning***

- There were no applications in 2012.
- Market feedback suggests that EBC's focus on chilled-water space-cooling systems may be too narrow, and participation could be expanded by incenting a wider range of measures.

#### ***4.2.2.4 New Construction***

- Custom projects account for 66% of program savings, with the remainder coming from the prescriptive track

#### ***4.2.2.5 Audit Funding Program***

- Through Audit Funding, 280 projects were completed in 2012 based on recommendations from the auditors, resulting in 1.4 MW and 7 GWh of Program Enabled Savings.
- Office buildings represented the largest portion of applicants for 2012.

### **4.2.3 Industrial Programs**

#### ***4.2.3.1 Process and Systems Upgrade Initiative***

- Energy managers are seen as important drivers of Program Enabled Savings projects.
  - 88% of survey respondents indicated that the assistance provided by energy managers was "somewhat" or "very" important to implementing projects.
- Energy Managers indicated that additional support (additional training and guides) may further help influence the adoption of energy efficiency measures by the participants.
- Documentation for Program Enabled Savings projects varied substantially by LDC. More guidance on documentation requirements would be beneficial to all parties.

#### ***4.2.3.2 DR-3***

- 2012 saw improvements in the performance of DR-3 participants resulting higher ex ante realization rates, particularly for the industrial participants.

#### **4.2.4 Home Assistance Program**

- Participation in the initiative ramped up in 2012, with over 5,000 homes participating in the initiative.

- Majority of energy savings (62%) comes from lighting measures, while 21% of energy savings resulting from refrigerator and freezer replacements.

### 4.3 Spending

**Table 3: 2012 Spending**

Initiative	Program Administration Budget (PAB)	Participant Based Funding (PBF)	Participant Incentives (PI)	Capability Building Funding (CBF)	TOTAL
<b>Consumer Program</b>					
Appliance Retirement	\$11,509.22				\$11,509.22
Appliance Exchange	\$2,301.84				\$2,301.84
HVAC Incentives	\$11,509.22				\$11,509.22
Conservation Instant Coupon Booklet	\$9,207.38				\$9,207.38
Bi-Annual Retailer Event	\$2,301.84				\$2,301.84
Retailer Co-op					
Residential Demand Response	\$9,378.00				\$9,378.00
New Construction Program	\$9,207.38				\$9,207.38
<b>Business Program</b>					
Efficiency: Equipment Replacement	\$62,089.34		\$193,480.25		\$255,569.59
Direct Installed Lighting	\$16,434.28	\$26,400.00	\$125,220.75		\$168,055.03
Existing Building Commissioning Incentive	\$18,403.81				\$18,403.81

Initiative	Program Administration Budget (PAB)	Participant Based Funding (PBF)	Participant Incentives (PI)	Capability Building Funding (CBF)	TOTAL
New Construction and Major Renovation Initiative	\$1,796.92				\$1,796.92
Energy Audit	\$2,368.96		\$770.00		\$3,138.96
Small Commercial Demand Response (part of the Residential program schedule)					
Demand Response 3 (part of the Industrial program schedule)					
<b>Industrial Program</b>					
Process & System Upgrades					
a) preliminary engineering study					
b) detailed engineering study					
c) program incentive					
Monitoring & Targeting	\$562.10				\$562.10
Energy Manager	\$843.16				\$843.16
Key Account Manager ("KAM")	\$702.63				\$702.63
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)					
Demand Response 3	\$2,227.84				\$2,227.84
<b>Home Assistance Program</b>					

Initiative	Program Administration Budget (PAB)	Participant Based Funding (PBF)	Participant Incentives (PI)	Capability Building Funding (CBF)	TOTAL
Home Assistance Program	\$15,050.92		\$6,867.60		\$21,918.52
<b>Pre 2011 Programs</b>					
Electricity Retrofit Incentive Program					
High Performance New Construction					
Toronto Comprehensive					
Multifamily Energy Efficiency Rebates					
Data Centre Incentive Program					
EnWin Green Suites					
<b>Initiatives Not In Market</b>					
Midstream Electronics					
Midstream Pool Equipment					
Demand Service Space Cooling					
Demand Response 1 (Commercial)					
Demand Response 1 (Industrial)					
Home Energy Audit Tool					
<b>TOTAL Province-wide CDM PROGRAMS</b>	<b>\$175,894.84</b>		<b>\$26,400.00</b>	<b>\$326,338.60</b>	<b>\$528,633.44</b>

**Table 4: Cumulative Spending (2011-2014)**

Initiative	Program Administration Budget (PAB)	Participant Based Funding (PBF)	Participant Incentives (PI)	Capability Building Funding (CBF)	TOTAL
<b>Consumer Program</b>					
Appliance Retirement	\$17,981.35				\$17,981.35
Appliance Exchange	\$2,301.84				\$2,301.84
HVAC Incentives	\$11,509.22				\$11,509.22
Conservation Instant Coupon Booklet	\$16,934.02				\$16,934.02
Bi-Annual Retailer Event	\$2,301.84				\$2,301.84
Retailer Co-op					
Residential Demand Response	\$11,883.85				\$11,883.85
New Construction Program	\$9,207.38				\$9,207.38
<b>Business Program</b>					
Efficiency: Equipment Replacement	\$107,454.74		\$529,046.50		\$636,501.24
Direct Installed Lighting	\$44,179.66	\$37,950.00	\$177,320.50		\$259,450.16
Existing Building Commissioning Incentive	\$18,403.81				\$18,403.81

Initiative	Program Administration Budget (PAB)	Participant Based Funding (PBF)	Participant Incentives (PI)	Capability Building Funding (CBF)	TOTAL
New Construction and Major Renovation Initiative	\$1,796.92				\$1,796.92
Energy Audit	\$2,368.96		\$770.00		\$3,138.96
Small Commercial Demand Response (part of the Residential program schedule)					
Demand Response 3 (part of the Industrial program schedule)					\$636,501.24
<b>Industrial Program</b>					
Process & System Upgrades					
a) preliminary engineering study					
b) detailed engineering study					
c) program incentive					
Monitoring & Targeting	\$562.10				\$562.10
Energy Manager	\$843.16				\$843.16
Key Account Manager ("KAM")	\$702.63				\$702.63
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)					
Demand Response 3	\$2,325.05				\$2,325.05
<b>Home Assistance Program</b>					



Initiative	Program Administration Budget (PAB)	Participant Based Funding (PBF)	Participant Incentives (PI)	Capability Building Funding (CBF)	TOTAL
Home Assistance Program	\$20,305.94		\$6,867.60		\$27,173.54
<b>Pre 2011 Programs</b>					
Electricity Retrofit Incentive Program					
High Performance New Construction					
Toronto Comprehensive					
Multifamily Energy Efficiency Rebates					
Data Centre Incentive Program					
EnWin Green Suites					
<b>Initiatives Not In Market</b>					
Midstream Electronics					
Midstream Pool Equipment					
Demand Service Space Cooling					
Demand Response 1 (Commercial)					
Demand Response 1 (Industrial)					
Home Energy Audit Tool					
<b>TOTAL Province-wide CDM PROGRAMS</b>	<b>\$271,062.47</b>	<b>\$37,950.00</b>	<b>\$714,004.60</b>		<b>\$1,023,017.07</b>

## 4.4 Additional Comments

WHSI is committed to CDM as a priority and has had great success with some key initiatives. At the same time, WHSI is concerned about the very real possibility of not achieving the demand reduction target set by the OEB. WHSI would like to see improvements to the design and implementation of the OPA programs. Meanwhile, WHSI is moving forward with other initiatives that demonstrate the interconnection of CDM, renewable energy, and the smart grid.

WHSI has a commitment to making CDM a priority and has demonstrated excellence in the delivery of CDM programs to its customers. In turn, WHSI's customers have responded well to the CDM programs offered by WHSI over the years and this has resulted in the excellent results of far surpassing the energy savings targets.

Unfortunately, WHSI is having difficulty making significant progress towards meeting the demand reduction target set by the OEB. WHSI is aware that this challenge is being faced by many LDCs throughout the province. This may indicate that the province-wide demand reduction target is too ambitious. There are also design and implementation issues with the OPA programs that reduce the effectiveness of them. Finally, the chilling effect of the unfavourable response of the OEB to Board Approved Programs (BAPs) proposed by Hydro One and Toronto Hydro reduced the likelihood of achieving demand reductions through that avenue.

The primary programs that the OPA offers to achieve demand savings are PeaksaverPLUS and DR3. The PeaksaverPLUS program was delayed in release by the OPA and then there were further delays due to the lack of mature technology available to LDCs to implement the program. WHSI chose to wait until the technology vendors sorted out the kinks so that a reliable product could be offered to customers. This has resulted in WHSI not offering the program to customers at all in 2012. Besides the delays, the program itself could be improved in design and delivery. The PeaksaverPLUS program is primarily restricted to homeowners with central air conditioning, which significantly reduces the market for the program. Also, the marketing of the PeaksaverPLUS program does not highlight the connection to climate change that may motivate greater participation in the program as well as providing public education. Finally, the activation events are controlled at a provincial level, but customer concerns about the impact of the events are directed at the local utility.

WHSI has made a concerted effort to engage customers in the DR3 program, but there has been limited success. WHSI is working with all three aggregators, promotes the program with customers and passes leads on to the aggregators. Unfortunately, WHSI has actually seen a decline in participation in the program, as some customers withdraw from the program. A large part of the problem lies in the fact that Woodstock is in a discounted zone, so the returns to participants in the DR3 program are lower than in other parts of the province. It seems inappropriate to have demand targets distributed equally across the province, but incentives for

demand response programs distributed according to regional needs, as is the case with discounted zones.

At this point, WHSI is not considering applying for a BAP. Although PowerStream had a BAP approved by the OEB in early 2013, the approval hurdles and the unreasonably restrictive definition of 'duplication' implemented by the OEB on early applications made by Hydro One and Toronto Hydro had a chilling effect on any aspirations that smaller LDCs may have had to launch any BAPs. Regardless, at the end of the third quarter of 2013, it seems unlikely that any LDC could design, get OEB approval for, launch and implement a BAP in enough time to see any significant impact on progress toward demand reduction targets before the end of 2014.

WHSI is considering what approach to take in order to strategically utilize its resources to maximize progress towards its demand reduction target. WHSI has initiated a discussion with its municipal customers in an effort to work together on projects within their facilities. WHSI has also employed social media to engage customers in conservation. See:

<http://www.youtube.com/user/WoodstockHydro>

## 5. Combined CDM Reporting Elements

### 5.1 Progress Towards CDM Targets

Table 5: Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual (MW)			
	2011	2012	2013	2014
2011 – Verified by OPA	2.9	0.9	0.9	0.9
2012 – Verified by OPA		1.3	0.5	0.5
2013				
2014				
<b>Verified Net Annual Peak Demand Savings in 2014:</b>				<b>1.4</b>
<b>WHSI 2014 Annual CDM Capacity Target:</b>				<b>4.5</b>
<b>Verified Portion of Peak Demand Savings Target Achieved (%):</b>				<b>31.0%</b>

Table 6: Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual (GWh)				Cumulative (GWh)
	2011	2012	2013	2014	2011-2014
2011 – Verified by OPA	5.1	5.0	5.0	5.0	20.2
2012 – Verified by OPA		2.5	2.5	2.5	8.5
2013					
2014					
<b>Verified Net Cumulative Energy Savings 2011-2014:</b>					<b>28.7</b>
<b>WHSI 2011-2014 Cumulative CDM Energy Target:</b>					<b>18.9</b>
<b>Verified Portion of Cumulative Energy Target Achieved (%):</b>					<b>152.1%</b>

### 5.2 Variance from Strategy

WHSI is well ahead of its projected progress towards its energy savings target, as outlined in WHSI's CDM Strategy submitted to the OEB on November 1, 2010. WHSI projected achieving 21% of its energy target by the end of 2012 and has achieved 152% of its target.

WHSI is also ahead of the demand reductions target milestone projected in its CDM Strategy. WHSI projected achieving 26% of its demand target by the end of 2012 and has achieved 31% of its target. However, WHSI projected a 41% deficiency in meeting its demand target based on the OPA programs. In WHSI's CDM Strategy, a number of BAPs were considered to make up that deficiency and a projected deficiency in meeting its energy savings target. Unfortunately,

WHSI is no longer considering applying for any BAPs. Further discussion of this can be found in section 5.3.1.

## **5.3 Outlook to 2014 and Strategy Modifications**

### **5.3.1 Board-Approved Programs**

WHSI did not file any applications to the OEB for Board-Approved Programs in 2012.

WHSI recognizes that Board-Approved Programs are a potential means for extending the savings realized from the province-wide programs. In WHSI's CDM strategy filed November 1, 2010, it forecasted that OPA programs would reach approximately 60% of its demand target and 65% of its energy target. WHSI identified several potential Board-Approved Programs that could contribute to achieving the remaining portion of its demand targets.

WHSI had begun pursuing a Board-Approved Program application for a solar thermal program, but in light of the Board's decision on the Toronto Hydro application, and the Board taking a very broad and all-encompassing definition of 'duplicative', WHSI does not foresee pursuing Board-approved programs at this time; it will continue to evaluate the need and feasibility of these as it tracks progress from province-wide programs, time-of-use results; as opportunities present themselves; and as the conditions and requirements for approval evolve.

### **5.3.2 New projects**

Meanwhile, WHSI is looking to the future with the development of the Whites Lane microGRID Project. This innovative project involves the interconnection of renewable energy, energy storage, conservation, and energy efficiency applications within a demonstration project in downtown Woodstock. Solar PV, CDM, energy storage, smart meters, electric vehicle use and charging, and other emerging technologies are employed in this demonstration and research project involving a diverse group of participants and partners.

WHSI is looking forward that talks about the need to integrate conservation, renewables and smart grid. Integrating these elements would treat the energy system holistically, and bring benefits to customers and the system. WHSI recognizes that this work is at an early stage and is unlikely to significantly impact progress towards meeting 2014 targets, though.

## 6. Conclusion

Over the course of 2012, WHSI has achieved 1.3 MW in peak demand savings and 2.5 GWh in energy savings, which, combined with the 2011 results, represents 31% and 152% of WHSI's 2014 targets, respectively. These results are representative of a considerable effort expended by WHSI, in cooperation with other LDCs, customers, channel partners and stakeholders to overcome many operational and structural issues that limited program effectiveness across all market sectors. This achievement is a success and the relationships built within the 2011-2014 CDM program term will aid results in a subsequent CDM term.

However, despite continuing improvements to existing programs WHSI faces challenges in the remaining years of the current CDM framework. With the current slate of available OPA Programs, and the current forecast of implementation and projected savings, WHSI has already exceeded its 18.9 GWh energy savings target, but will struggle to meet its 4.5 MW demand savings target.

Looking ahead there is limited opportunity to make valuable changes to the current program portfolios and have these changes reflected in LDC 2014 results. However, LDCs and the OPA can build on the strengths and key successes of the 2011-2014 programs to launch new programs that will meet the needs of the industry and consumers.

## Appendix A: Initiative Descriptions

### Residential Program

#### APPLIANCE RETIREMENT INITIATIVE (Exhibit D)

**Target Customer Type(s):** Residential Customers

**Initiative Frequency:** Year round

**Objectives:** Achieve energy and demand savings by permanently decommissioning certain older, inefficient refrigeration appliances.

**Description:** This is an energy efficiency Initiative that offers individuals and businesses free pick-up and decommissioning of old large refrigerators and freezers. Window air conditioners and portable dehumidifiers will also be picked up if a refrigerator or a freezer is being collected.

**Targeted End Uses:** Large refrigerators, large freezers, window air conditioners and portable dehumidifiers.

**Delivery:** OPA centrally contracts for the province-wide marketing, call centre, appliance pick-up and decommissioning process. LDC's provides local marketing and coordination with municipal pick-up where available.

Additional detail is available:

- Schedule B-1, Exhibit D:  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Consumer/Programs/Appliance-Retirement.aspx>

#### APPLIANCE EXCHANGE INITIATIVE (Exhibit E)

**Target Customer Type(s):** Residential Customers

**Initiative Frequency:** Spring and Fall

**Objective:** The objective of this Initiative is to remove and permanently decommission older, inefficient window air conditioners and portable dehumidifiers that are in Ontario.

**Description:** This Initiative involves appliance exchange events. Exchange events are held at local retail locations and customers are encouraged to bring in their old room air conditioners (AC) and dehumidifiers in exchange for coupons/discounts towards the purchase of new energy efficient equipment.

**Targeted End Uses:** Window air conditioners and portable dehumidifiers

**Delivery:** OPA contracts with participating retailers for collection of eligible units. LDCs provide local marketing.

Additional detail is available:

- Schedule B-1, Exhibit C  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Consumer.aspx>

#### HVAC INCENTIVES INITIATIVE (Exhibit B)

**Target Customer Type(s):** Residential Customers

**Initiative Frequency:** Year round

**Objective:** The objective of this Initiative is to encourage the replacement of existing heating systems with high efficiency furnaces equipped with Electronically Commutated Motors (ECM), and to replace existing central air conditioners with ENERGY STAR qualified systems and products.

**Description:** This is an energy efficiency Initiative that provides rebates for the replacement of old heating or cooling systems with high efficiency furnaces (equipped with ECM) and Energy Star qualified central air conditioners by approved Heating, Refrigeration, and Air Conditioning Institute (HRAI) qualified contractors.

**Targeted End Uses:** Central air conditioners and furnaces

**Delivery:** OPA contracts centrally for delivery of the program. LDCs provide local marketing and encourage local contractors to participate in the Initiative.

Additional detail is available:

- Schedule B-1, Exhibit B  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Consumer.aspx>

#### CONSERVATION INSTANT COUPON INITIATIVE (Exhibit A)

**Target Customer Type(s):** Residential Customers

**Initiative Frequency:** Year round

**Objective:** The objective of this Initiative is to encourage households to purchase energy efficient products by offering discounts.

**Description:** This Initiative provides customers with year round coupons. The coupons offer instant rebates towards the purchase of a variety of low cost, easy to install energy efficient measures and can be redeemed at participating retailers. Booklets were directly mailed to customers and were also available at point-of-purchase. Downloadable coupons were also available at [www.saveoneenergy.ca](http://www.saveoneenergy.ca).



**Targeted End Uses:** ENERGY STAR® qualified standard compact fluorescent lights (“CFLs”), ENERGY STAR® qualified light fixtures lighting control products, weather-stripping, hot water pipe wrap, electric water heater blanket, heavy duty plug-in timers, advanced power bars, clothesline, baseboard programmable thermostats.

**Delivery:** The OPA develops the electronic version of the coupons and posts them online for download. Three LDC specific coupons were made available for local marketing and utilization by LDCs. The OPA enters into agreements with retailers to honour the coupons.

Additional detail is available:

- Schedule B-1, Exhibit A  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Consumer.aspx>

BI-ANNUAL RETAILER EVENT INITIATIVE (Exhibit C)

**Target Customer Type(s):** Residential Customers

**Initiative Frequency:** Bi-annual events

**Objective:** The objective of this Initiative is to provide instant point of purchase discounts to individuals at participating retailers for a variety of energy efficient products.

**Description:** Twice a year (Spring and Fall), participating retailers host month-long rebate events. During the months of April and October, customers are encouraged to visit participating retailers where they can find coupons redeemable for instant rebates towards a variety of low cost, easy to install energy efficient measures.

**Targeted End Uses:** The same as the Conservation Instant Coupon Initiative

**Delivery:** The OPA enters into arrangements with participating retailers to promote the discounted products, and to post and honour related coupons. LDCs also refer retailers to the OPA and market this initiative locally.

Additional detail is available:

- Schedule B-1, Exhibit C  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Consumer.aspx>

RETAILER CO-OP

**Target Customer Type(s):** Residential Customers

**Initiative Frequency:** Year Round

**Objective:** Hold promotional events to encourage customers to purchase energy efficiency measures (and go above-and-beyond the traditional Bi-Annual Coupon Events).

**Description:** The Retailer Co-op Initiative provides LDCs with the opportunity to work with retailers in their service area by holding special events at retail locations. These events are typically special promotions that encourage customers to purchase energy efficiency measures (and go above-and-beyond the traditional Bi-Annual Coupon Events).

**Targeted End Uses:** As per the Conservation Instant Coupon Initiative

**Delivery:** Retailers apply to the OPA for co-op funding to run special promotions that promote energy efficiency to customers in their stores. LDCs can refer retailers to the OPA. The OPA provides each LDC with a list of retailers who have qualified for Co-Op Funding as well as details of the proposed special events.

*NEW CONSTRUCTION PROGRAM (Schedule B-2)*

**Target Customer Type(s):** Residential Customers

**Initiative Frequency:** Year round

**Objective:** The objective of this Initiative is to provide incentives to participants for the purpose of promoting the construction of energy efficient residential homes in the Province of Ontario.

**Description:** This is an energy efficiency Initiative that provides incentives to homebuilders for constructing new homes that are efficient, smart, and integrated (applicable to new single family dwellings). Incentives are provided in two key categories as follows:

- Incentives for homebuilders who install electricity efficiency measures as determined by a prescriptive list or via a custom option.
- Incentives for homebuilders who meet or exceed aggressive efficiency standards using the EnerGuide performance rating system.

**Targeted End Uses:** All off switch, ECM motors, ENERGY STAR qualified central AC, lighting control products, lighting fixtures, Energuide 83 whole home, energuide 85 whole homes

**Delivery:** Local engagement of builders will be the responsibility of the LDC and will be supported by OPA air coverage driving builders to their LDC for additional information.

Additional detail is available:

- Schedule B-1, Exhibit C  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20B-2%20New%20Construction%20Program.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-2%20New%20Construction%20Program.pdf) and
- SaveONEnergy website <https://saveonenergy.ca/Consumer.aspx>

*RESIDENTIAL DEMAND RESPONSE PROGRAM (Schedule B-3)*

**Target Customer Type(s):** Residential and Small Commercial Customers

**Initiative Frequency:** Year round

**Objective:** The objectives of this Initiative are to enhance the reliability of the IESO-controlled grid by accessing and aggregating specified residential and small commercial end uses for the purpose of load reduction, increasing consumer awareness of the importance of reducing summer demand and providing consumers with their current electricity consumption and associated costs.

**Description:** In *peaksaver*PLUS™ participants are eligible to receive a free programmable thermostat or switch, including installation. Participants also receive access to price and real-time consumption information on an In Home Display (IHD).

**Targeted End Uses:** central air conditioning, electric hot water heaters and pool pumps

**Delivery:** LDCs recruit customers and procure technology

Additional detail is available:

- Schedule B-1, Exhibit C  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/SCHED\\_2011\\_ResDR\\_B\\_3\\_110727%28MJB%29v15\\_redacted.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/SCHED_2011_ResDR_B_3_110727%28MJB%29v15_redacted.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Consumer.aspx>

## C&I Program

*EFFICIENCY: EQUIPMENT REPLACEMENT INCENTIVE (ERII) (Schedule C-2)*

**Target Customer Type(s):** Commercial, Institutional, Agricultural and Industrial Customers

**Initiative Frequency:** Year round

**Objective:** The objective of this Initiative is to offer incentives to non-residential distribution customers to achieve reductions in electricity demand and consumption by upgrading to more energy efficient equipment for lighting, space cooling, ventilation and other measures.

**Description:** The Equipment Replacement Incentive Initiative (ERII) offers financial incentives to customers for the upgrade of existing equipment to energy efficient equipment. Upgrade projects can be classified into either: 1) prescriptive projects where prescribed measures replace associated required base case equipment; 2) engineered projects where energy and demand savings and incentives are calculated for associated measures; or 3) custom projects for other energy efficiency upgrades.

**Targeted End Uses:** lighting, space cooling, ventilation and other measures

**Delivery:** LDC delivered.

Additional detail is available:

- Schedule C-2  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20C-2%20ERII%20Initiative.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20C-2%20ERII%20Initiative.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Business/Program-Overviews/Retrofit-for-Commercial.aspx>

*DIRECT INSTALL INITIATIVE (DIL) (Schedule C-3)*

**Target Customer Type(s):** Small Commercial, Institutional, Agricultural facilities and multi-family buildings

**Initiative Frequency:** Year round

**Objective:** The objective of this Initiative is to offer a free installation of eligible lighting and water heating measures of up to \$1,000 to eligible owners and tenants of small commercial, institutional and agricultural facilities and multi-family buildings, for the purpose of achieving electricity and peak demand savings.

**Description:** The Direct Installed Lighting Initiative targets customers in the General Service <50kW account category. This Initiative offers turnkey lighting and electric hot water heater measures with a value up to \$1,000 at no cost to qualifying small businesses. In addition, standard prescriptive incentives are available for eligible equipment beyond the initial \$1,000 limit (increased to \$1,500 in December 2012).

**Target End Uses:** Lighting and electric water heating measures

**Delivery:** Participants can enroll directly with the LDC, or would be contacted by the LDC/LDC-designated representative.

Additional detail is available:

- Schedule C-3  
<http://www.powerauthority.on.ca/sites/default/files/page/Schedule%20C-3%20Direct%20Install%20Initiative%20-%20redacted.pdf> and
- SaveONenergy website <https://saveonenergy.ca/Business.aspx>

*EXISTING BUILDING COMMISSIONING INCENTIVE INITIATIVE (Schedule C-6)*

**Target Customer Type(s):** Commercial, Institutional, and Agricultural Customers

**Initiative Frequency:** Year round

**Objective:** The objective of this Initiative is to offer incentives for optimizing (but not replacing) existing chilled water systems for space cooling in non-residential facilities for the purpose of achieving implementation phase energy savings, implementation phase demand savings, or both.

**Description:** This Initiative offers Participants incentives for the following:

- scoping study phase
- investigation phase
- implementation phase
- hand off/completion phase

**Targeted End Uses:** Chilled water systems for space cooling

**Delivery:** LDC delivered.

Additional detail is available:

- Schedule C-6  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20C-6%20Commissioning%20Initiative.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20C-6%20Commissioning%20Initiative.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Business/Program-Overviews/Existing-Building-Commissioning.aspx>

*NEW CONSTRUCTION AND MAJOR RENOVATION INITIATIVE (HPNC) (Schedule C-4)*

**Target Customer Type(s):** Commercial, Institutional, Agricultural and Industrial Customers

**Initiative Frequency:** Year round

**Objective:** The objective of this Initiative is to encourage builders/major renovators of commercial, institutional, and industrial buildings (including multi-family buildings and agricultural facilities) to reduce electricity demand and/or consumption by designing and building new buildings with more energy-efficient equipment and systems for lighting, space cooling, ventilation and other Measures.

**Description:** The New Construction initiative provides incentives for new buildings to exceed existing codes and standards for energy efficiency. The initiative uses both a prescriptive and custom approach.

**Targeted End Uses:** New building construction, building modeling, lighting, space cooling, ventilation and other Measures

**Delivery:** LDC delivers to customers and design decision makers.

Additional detail is available:

- Schedule C-4  
<http://www.powerauthority.on.ca/sites/default/files/page/ScheduleC-4NewConstructionInitiativeV2.pdf> and
- SaveONenergy website <https://saveonenergy.ca/Business/Program-Overviews/New-Construction.aspx>

*ENERGY AUDIT INITIATIVE (Schedule C-1)*

**Target Customer Type(s):** Commercial, Institutional, Agricultural and Industrial Customers

**Initiative Frequency:** Year round

**Objective:** The objective of this Initiative is to offer incentives to owners and lessees of commercial, institutional, multi-family buildings and agricultural facilities for the purpose of undertaking assessments to identify all possible opportunities to reduce electricity demand and consumption within their buildings or premises.

**Description:** This Initiative provides participants incentives for the completion of energy audits of electricity consuming equipment located in the facility. Energy audits include development of energy baselines, use assessments and performance monitoring and reporting.

**Targeted End Uses:** Various

**Delivery:** LDC delivered.

Additional detail is available:

- Schedule C-1  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20C-1%20Energy%20Audit%20Initiative.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20C-1%20Energy%20Audit%20Initiative.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Business/Program-Overviews/Audit-Funding.aspx>

## Industrial Program

*PROCESS & SYSTEMS UPGRADES INITIATIVE (PSUI) (Schedule D-1)*

**Target Customer Type(s):** Industrial, Commercial, Institutional and Agricultural Customers

**Initiative Frequency:** Year round

**Objectives:** The objectives of this Initiative are to:

- Offer distribution customers capital incentives and enabling initiatives to assist with the implementation of large projects and project portfolios;
- Implement system optimization project in systems which are intrinsically complex and capital intensive; and
- Increase the capability of distribution customers to implement energy management and system optimization projects.

**Description:** PSUI is an energy management Initiative that includes three Initiatives: (preliminary engineering study, detailed engineering study, and project incentive Initiative). The incentives are available to large distribution connected customers with projects or portfolio projects that are expected to generate at least 350 MWh of annualized electricity savings or, in the case of Micro-Projects, 100 MWh of annualized electricity savings. The capital incentive for this Initiative is the lowest of:

- a) \$200/MWh of annualized electricity savings
- b) 70% of projects costs

c) A one year pay back

**Targeted End Uses:** Process and systems

**Delivery:** LDC delivered with Key Account Management support, in some cases.

Additional detail is available:

- Schedule D-1  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20D-1%20Process%20and%20Systems%20Upgrades%20Initiative.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20D-1%20Process%20and%20Systems%20Upgrades%20Initiative.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Business.aspx>

*MONITORING & TARGETING INITIATIVE (Schedule D-2)*

**Target Customer Type(s):** Industrial, Commercial, Institutional and Agricultural Customers

**Initiative Frequency:** Year round

**Objective:** This Initiative offers access to funding for the installation of Monitoring and Targeting systems in order to deliver a minimum savings target at the end of 24 months and sustained for the term of the M&T Agreement.

**Description:** This Initiative offers customers funding for the installation of a Monitoring and Targeting system to help them understand how their energy consumption might be reduced. A facility energy manager, who regularly oversees energy usage, will now be able to use historical energy consumption performance to analyze and set targets.

**Targeted End Uses:** Process and systems

**Delivery:** LDC delivered with Key Account Management support, in some cases.

Additional detail is available:

- Schedule D-2  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20D-2%20Monitoring%20and%20Targeting%20Initiative.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20D-2%20Monitoring%20and%20Targeting%20Initiative.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Business.aspx>

*ENERGY MANAGER INITIATIVE (Schedule D-3)*

**Target Customer Type(s):** Industrial, Commercial, Institutional and Agricultural Customers

**Initiative Frequency:** Year round

**Objective:** The objective of this initiative is to provide customers and LDCs the opportunity to access funding for the engagement of energy managers in order to deliver a minimum annual savings target.

**Description:** This Initiative provides customers the opportunity to access funding to engage an on-site, full time embedded energy manager, or an off-site roving energy manager who is engaged by the LDC. The role of the energy manager is to take control of the facility's energy use by monitoring performance, leading awareness programs, and identifying opportunities for energy consumption improvement, and spearheading projects. Participants are funded 80% of the embedded energy manager's salary up to \$100,000 plus 80% of the energy manager's actual reasonable expenses incurred up to \$8,000 per year. Each embedded energy manager has a target of 300 kW/year of energy savings from one or more facilities. LDCs receive funding of up to \$120,000 for a Roving Energy Manager plus \$8,000 for expenses.

**Targeted End Uses:** Process and systems

**Delivery:** LDC delivered with Key Account Management support, in some cases.

Additional detail is available:

- Schedule D-3  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20D-3%20Energy%20Manager%20Initiative%202011-2014.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20D-3%20Energy%20Manager%20Initiative%202011-2014.pdf) and
- SaveONenergy website <https://saveonenergy.ca/Business.aspx>

*KEY ACCOUNT MANAGER (KAM) (Schedule D-4)*

**Target Customer Type(s):** Industrial, Commercial, Institutional and Agricultural Customers

**Initiative Frequency:** Year round

**Objective:** This initiative offers LDCs the opportunity to access funding for the employment of a KAM in order to support them in fulfilling their obligations related to the PSUI.

**Description:** This Initiative provides LDCs the opportunity to utilize a KAM to assist their customers. The KAM is considered to be a key element in assisting the consumer in overcoming traditional barriers related to energy management and help them achieve savings since the KAM can build relationships and become a significant resource of knowledge to the customer.

**Targeted End Uses:** Process and systems

**Delivery:** LDC delivered

Additional detail is available:

- ScheduleD-4  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/projects\\_programs/pdfs/PSUI%20Initiative%20Schedule%20D-4.Key%20Account%20Manager.20110322.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/projects_programs/pdfs/PSUI%20Initiative%20Schedule%20D-4.Key%20Account%20Manager.20110322.pdf)

*DEMAND RESPONSE 3 (Schedule D-6)*

**Target Customer Type(s):** Industrial, Commercial, Institutional and Agricultural Customers



**Initiative Frequency:** Year round

**Objective:** This Initiative provides for Demand Response (“DR”) payments to contracted participants to compensate them for reducing their electricity consumption by a pre-defined amount during a DR event.

**Description:** Demand Response 3 (“DR3”) is a demand response Initiative for commercial and industrial customers, of 50 kW or greater to reduce the amount of power being used during certain periods of the year. The DR3 Initiative is a contractual resource that is an economic alternative to procurement of new generation capacity. DR3 comes with specific contractual obligations requiring participants to reduce their use of electricity relative to a baseline when called upon. This Initiative makes payments for participants to be on standby and payments for the actual electricity reduction provided during a demand response event. Participants are scheduled to be on standby approximately 1,600 hours per calendar year for possible dispatch of up to 100 hours or 200 hours within that year depending on the contract.

**Targeted End Uses:** Commercial and Industrial Operations

**Delivery:** DR3 is delivered by Demand Response Providers (“DRPs”), under contract to the OPA. The OPA administers contracts with all DRPs and Direct Participants (who provide in excess of 5 MW of demand response capacity). OPA provides administration including settlement, measurement and verification, and dispatch. LDCs are responsible for local customer outreach and marketing efforts.

Additional detail is available:

- Schedule D-6  
[http://www.powerauthority.on.ca/sites/default/files/new\\_files/industry\\_stakeholders/current\\_electricity\\_contracts/pdfs/Schedule%20D-6%20Demand%20Response%203%202011-2014.pdf](http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20D-6%20Demand%20Response%203%202011-2014.pdf)  
and
- SaveONenergy website <https://saveonenergy.ca/Business.aspx>

It is noted that while the Schedule for this Initiative was not posted until May 2011, the Aggregators reported that they were able to enroll customers as of January 2011.

## Low Income Program

*LOW INCOME INITIATIVE (HOME ASSISTANCE PROGRAM (Schedule E))*

**Target Customer Type(s):** Income Qualified Residential Customers

**Initiative Frequency:** Year Round

**Objective:** The objective of this Initiative is to offer free installation of energy efficiency measures to income qualified households for the purpose of achieving electricity and peak demand savings.

**Description:** This is a turnkey Initiative for income qualified customers. It offers residents the opportunity to take advantage of free installation of energy efficient measures that improve the comfort of their home, increase efficiency, and help them save money. All eligible customers receive a Basic and Extended Measures Audit, while customers with electric heat also receive a Weatherization Audit. The Initiative is designed to coordinate efforts with gas utilities.

**Targeted End Uses:** End use measures based on results of audit (i.e. compact fluorescent light bulbs)

**Delivery:** LDC delivered.

Additional detail is available:

- Schedule E  
<http://www.powerauthority.on.ca/sites/default/files/page/Low%20Income%20Schedule%20-%20redacted%20version.pdf>

## Appendix B: Pre-2011 Programs

### ELECTRICITY RETROFIT INCENTIVE PROGRAM

**Target Customer Type(s):** Commercial, Institutional, and Agricultural Customers

**Initiative Frequency:** Year Round

**Objective:** The objective of this Initiative is to offer incentives to non-residential distribution customers to achieve reductions in electricity demand and consumption by upgrading to more energy efficient equipment for lighting, space cooling, ventilation and other measures.

**Description:** The Equipment Replacement Incentive Program (ERIP) offered financial incentives to customers for the upgrade of existing equipment to energy efficient equipment. This program was available in 2010 and allowed customers up to 11 months following Pre-Approval to complete their projects. As a result, a number of projects Pre-Approved in 2010 were not completed and in-service until 2011. The electricity savings associated with these projects are attributed to 2011.

**Targeted End Uses:** Electricity savings measures

**Delivery:** LDC Delivered

### HIGH PERFORMANCE NEW CONSTRUCTION

**Target Customer Type(s):** Commercial, Institutional, and Agricultural Customers

**Initiative Frequency:** Year round

**Objective:** The High Performance New Construction Initiative provided incentives for new buildings to exceed existing codes and standards for energy efficiency. The Initiative uses both a prescriptive and custom approach and was delivered by Enbridge Gas under contract with the OPA (and subcontracted to Union Gas), which ran until December 2010.

**Description:** The objective of this Initiative is to encourage builders of commercial, institutional, and industrial buildings (including multi-family buildings and agricultural facilities) to reduce electricity demand and/or consumption by designing and building new buildings with more energy-efficient equipment and systems for lighting, space cooling, ventilation and other Measures.

**Targeted End Uses:** New Building construction, building modeling, lighting, space cooling, ventilation and other measures

**Delivery:** Through Enbridge Gas (and subcontracted to Union Gas)