



Wellington North Power Inc.

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September 30, 2014

Ontario Energy Board
Attention: Kirsten Walli, Board Secretary
2300 Yonge Street
27th Floor P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: OEB File Number: EB-2010-0215 – 2013 CDM Annual Report
Wellington North Power Inc. – ED-2002-0511**

Please find attached the Annual CDM Report (2013) prepared by Wellington North Power Inc., OEB Licence Ed-2002-0511.

The Conservation and Demand Management Code for Electricity Distributors requires a distributor to file an annual report with the Board. The attached Annual CDM Report is therefore prepared accordingly and covers the period from January 1, 2013 to December 13, 2013.

This Annual CDM Report (2013) also includes an overview document that relates the experience of the CHEC Member LDCs which Wellington North Power Inc. works in collaboration with to deliver CDM programs.

An electronic copy of this Application has been filed on the RESS site and two hard copies have been sent by courier to the Board's office for the attention of the Board Secretary. Should the Board have questions regarding this matter please contact Richard Bucknall at rbucknall@wellingtonnorthpower.com or myself at jrosebrugh@wellingtonnorthpower.com or call 519-323-1710.

Yours truly,

Judy Rosebrugh

**President & CEO
Wellington North Power Inc.**

Cornerstone Hydro Electric Concepts (CHEC)

Combined Conservation and Demand Management Annual Report 2013

EB-2010-0215

Collaboration for Conservation



September 30, 2014

Cornerstone Hydro Electric Concepts Association Inc.

Executive Summary:

This report represents the 2013 annual reporting as required by the CDM Code for the CHEC Association LDCs. The results and comments provided in this section are based on the combined experience of the CHEC LDCs.

The report format contains an overview section relating the combined experience of CHEC LDCs and thirteen addendums containing the individual LDC Annual CDM Reports. The overview section provides a summary of the overall target achieved, conditions impacting strategy progress and tracking of the CDM Strategy.

In the third year of the program the residential portfolio continued to perform below expectations. The residential program experienced improved kW performance over the previous year due to the HVAC initiative and limited kW contribution from the peaksaverPLUS[®] program. Energy contribution to target on an incremental basis was slightly better than the year before. However, with one less year to accumulate savings the contribution to overall target is less than the previous year. The lower than expected performance in the residential market place has an impact on all of the LDCs. The negative effect continues to be most pronounced in LDCs with primarily residential loads.

Customers continue to show interest in the Demand Response (DR) initiative with a net gain in DR contribution to target. This helps to offset the loss of customers who participated in the first year of the program but exited in subsequent years. DR is seen as a crucial element to achieve the demand target and the limitation of DR in the fourth year of the program will impact on the ability of LDCs to add significantly to the kW target contributions.

The Commercial and Institutional program continues to be a significant contributor to targets achieved. This portfolio accounts for 49% of the kWh achieved to the end of 2013. The retrofit initiative along with the direct install initiative continues to provide savings. The Small Business Lighting initiative is approaching saturation while the retrofit initiative continues to experience good traction although the incremental kWh savings is less than the previous year.

CHEC's Roving Energy Manager (REM) was engaged late in 2012. This position is seen as a key element in successful approaches to industry and commercial customers. The REM has been instrumental in supporting CHEC LDCs and their commercial customers to identify potential savings and to implement programs. The REM along with LDC staff has been active across the service areas and this activity is expected to continue throughout 2014.



Cornerstone Hydro Electric Concepts Association Inc.

The combined strategy results (Table 4) indicate a decline in the percentage of target to be achieved by the member LDCs. Based on the two year results, the projected target completion was 87.6% of demand and 99% of the energy targets. After three years, the projected target completion is 64% of demand and 93.4% of the energy targets. The individual reports filed by the member LDCs outline their continued commitment and expectations for the remaining year.

Cornerstone Hydro Electric Concepts Association Inc.

1.0 Introduction:

Cornerstone Hydro Electric Concepts Association (CHEC) is an association of thirteen (13) Local Distribution Companies (LDCs) (in 2013). The CHEC member LDCs have prepared this Conservation and Demand Management (CDM) Annual Report 2013 as required by the Conservation and Demand Management Code for Electricity Distributors. The report is a collaborative initiative of CHEC member LDCs. The report is consistent with the combined CDM Strategy filed in November 2010 and includes Orillia Power as of 2012 reporting.

1.1 Distributors Included in CHEC Association CDM Strategy:

CHEC LDCs work collaboratively to meet regulatory and operational requirements. The Association facilitates LDCs' abilities to address initiatives in a cost effective manner, sharing information, expertise and resources. The development of a collaborative CDM Strategy and the subsequent CDM Annual Report is consistent with the CHEC philosophy of working together to meet the needs of the member LDCs and to work effectively for the customers served.

The LDCs, all members of CHEC, covered under this CDM Annual Report include:

- Centre Wellington Hydro Ltd.
- COLLUS PowerStream (COLLUS Power)
- Innisfil Hydro Distribution Systems Limited
- Lakefront Utilities Inc.
- Lakeland Power Distribution Ltd.
- Midland Power Utility Corporation
- Orangeville Hydro Limited
- Orillia Power Distribution Corporation
- Parry Sound Corporation
- Rideau St. Lawrence Distribution Inc.
- Wasaga Distribution Inc.
- Wellington North Power Inc.
- West Coast Huron Energy Inc. (Goderich Hydro).

CHEC LDCs have worked collaboratively and as part of the Association since 2000. The CHEC Combined Annual CDM Report includes an overview section and separate addendums for each LDC. The LDC addendum format follows the provincial template.

2.0 CDM Targets for Electricity Demand (MW) and Electricity Consumption (GWh):

The CDM target for each LDC has been established by the Ontario Energy Board (OEB) utilizing a methodology developed by the Ontario Power Authority (OPA). The targets were later revised and incorporated into the LDC license requirements. Table 1 illustrates the final targets for each LDC.

Table 1 – OEB Defined Targets

	MW	GWH
LDC	Revised Target	Revised Target
Centre Wellington Hydro	1.64	7.81
COLLUS Power	3.14	14.97
Innisfil Hydro	2.5	9.2
Lakefront Utilities	2.77	13.59
Lakeland Power	2.32	10.18
Midland Power	2.39	10.82
Orangeville Hydro	2.78	11.82
Orillia Power	3.07	15.05
Parry Sound Power	0.74	4.16
Rideau St. Lawrence	1.22	5.1
Wasaga Distribution	1.34	4.01
Wellington North Power	0.93	4.52
West Coast Huron Energy	0.88	8.28
Total	25.72	119.51

3.0 Progress toward Achieving Target

Table 2 and Table 3 provide summaries of the progress made by CHEC LDCs in 2013 towards the combined demand and energy targets. The combined results are the summation for all member LDCs and represent reported savings as per the OPA. The individual savings for each LDC are represented in the associated Addendum.

Table 2 Combined Net Demand Savings at End User Level Including DR Contribution (2011 adjusted to add Orillia Power)

Note: Table includes DR

Implementation Period	Annual (MW)			
	2011	2012	2013	2014
2011 - Verified	4.89	4.89	4.89	4.89
2012 - Verified		1.87	1.87	1.87
2013 - Verified			3.42	3.42
2014				
Verified Net Annual Peak Demand Savings in 2014 (including DR):				10.18
Combined CHEC 2014 Annual CDM Capacity Target:				25.72
Verified Portion of Peak Demand Savings Target Achieved to 2013 (%):				39.58%
Combined CHEC Strategy, Milestone submitted to 2013				53.04%
Variance from Strategy Milestones:				-13.46%

Contribution toward the peak target after three years of program delivery continues to lag behind the strategy targets. Actual demand savings vary from the milestones set in the LDC Strategies by 13.46%. At the end of 2012 the variance from the milestones set in the LDC Strategies was 4.5%. The increase in variance, by 9% in 2013, provides an indication of the challenges in obtaining demand oriented projects.

To remain consistent with the CDM Strategies filed and the associated milestones DR savings are included in the reporting. Currently LDCs include 3,400 kW of DR in the strategies with approximately 2,974 kW of DR obtained to date. This represents 11.6% of the 2014 target. The target amount of DR has been reduced in the revised strategy presented in Table 4.

The combined strategies have been adjusted (2011, 2012 and 2013 adjustments) to predict a shortfall of 9.3 MW which represents 64% achievement of the peak target.

Table 3 Combined Net Energy Savings at End User Level

Implementation Period	Annual (MWh)				Cumulative (MWh)
	2011	2012	2013	2014	2011-2014
2011 - Verified	10,250	10,250	10,250	10,250	41,000
2012 - Verified		10,058	10,058	10,058	30,174
2013 - Verified			9,907	9,907	19,814
2014					
Verified Net Cumulative Energy Savings 2011-2014:					90,988
Combined CHEC 2011-2014 Cumulative CDM Energy Target:					119,510
Verified Portion of Cumulative Energy Target Achieved to 2013 (%):					76.13%
Combined CHEC Strategy, Milestone submitted for 2011, 2012 & 2013					92.73%
Variance from Strategy Milestones:					-16.59%

Energy savings continue to be strong with annual incremental savings remaining consistent in the range of 10 MWh. While significant, the cumulative energy savings is 16.6% below milestones set in the LDCs Strategies to the end of 2013.

Currently the CHEC LDCs have achieved 76.1% of the combined energy target. This is slightly behind the provincial average of 85.7%. LDCs' performance varies due to local parameters which are addressed in the addendums. Revision of the strategies has reduced the expected energy achievement to 93.4% of the combined target.

4.0 General Conditions Impacting Strategy Performance:

This section outlines issues which have impacted on the progress of Strategies and some of the general lessons learned over the third year of the program. While there have been many successes there remain many challenges within the CDM portfolio and the delivery of programs. Overall the delivery mechanism continues to be improved. Unfortunately opportunities lost early in the program timeframe are difficult to make up later in the program.

4.1 Portfolio Reduction and OEB Approved Programs:

The overall portfolio reduction as a result of midstream and OEB approved programs not being developed has reduced the overall potential to achieve target. The requirement that local

programs not duplicate any provincial program represented a significant barrier for development of localized programs. Removing these programs from the strategy mix reduced the achievable target by 9.5% for demand and 3% for energy. The requirement for success in the provincial programs to offset this shortfall has been difficult to achieve. The impact of these initiatives not being in market is twofold. First any program savings proposed in the strategies from these initiatives are not realized. Secondly the lack of programs reduces the overall profile of the CDM initiatives. The additional initiatives, with the associated advertisement and engagement, would have reinforced all initiatives and the customers' overall awareness of the conservation effort.

4.2 Roving Energy Manager:

CHEC LDCs collaborative application for a Roving Energy Manager (REM) provided an excellent resource to assist LDCs and their customers to develop more and deeper reaching energy savings programs. The REM has been active across the CHEC LDC service territories and truly represents a "roving energy manager". The REM has consistently met program requirements for target and this contract has been subsequently renewed twice. As noted in previous reports, the delay in funding approval impacted on the initial start of the REM. An earlier start would have seen more projects implemented within the current framework, recognizing that the lead time for commercial and industrial projects can be extensive. The delay at the beginning has pushed out the final implementation of many projects.

4.3 Residential Program Performance:

The residential programs performed above the 2012 levels in both demand and energy however, below the projected milestone in the strategies. The residential program experienced contributions from the low income program in 2013 well above the level experienced in previous years. The low income initiative, while not meeting full program expectations, has provided a significant kWh contribution. The peak contribution however, falls below expectations. Within this program the ability to obtain "deep installs" along with the associated savings, has proved to be challenging.

Provincial advertising was more prominent in 2013 and as such this was seen as important to the residential program to drive customer awareness. While LDCs can complete local marketing the widespread campaigns initiated by the OPA are seen as critical for overall success.

The Appliance Retirement program has been in the market for some time and the incremental kWh contributed by the program has been steadily declining. The number of eligible appliances has been significantly impacted by several years of successful delivery.

It is believed that the residential program would benefit from general conservation education programs. There has been limited activity in this sector, led by LDCs, due to the funding and focus on target. To maintain the traction in this sector both advertising and education may better position the programs offered.

For LDCs with a large residential proportion of load, the significance of weaker performance in the residential program impacts heavily on the overall ability to achieve targets. A number of CHEC LDCs are struggling due to the residential program lagging behind in projected savings.

4.4 Peaksaver Plus:

The residential demand response initiative (*peaksaver PLUS*[®]) has been identified in most strategies as being a key contributor to obtaining significant peak target from the residential sector. This program has fallen well behind expected performance.

CHEC LDCs released an RFP for a supplier of service and technology in late 2012. Issues with respect to launching the program moved the in-market date later than anticipated including postponement into 2014 awaiting communication capabilities for some LDCs. Further complicating the issue was the need to terminate installation as colder weather approached to avoid completing the initial test installations when the AC would not be operating. These issues have impacted negatively on the contribution to target from the initiative.

4.5 Relationships:

Over the third year of the program there continue to be improvements in relationships within the sector. The relationship with the OPA improved with continued outreach by the OPA and response to LDC enquiries. Customer relationships continue to grow. Contacts within the commercial, industrial and municipal sector continue to be fostered and supported with provincial and local materials. The CHEC Roving Energy Manager and LDC CDM staffs have been instrumental in developing these relationships.

Some confusion with the Energy Efficiency Service Providers (EESPs) occurred during the year. While the initiative to contact on a sector specific basis was recognized there was confusion as to the roles between the LDC and the energy managers. From a customer perspective the “face of conservation” was confused by multiple parties making calls.

With the continued delivery of CDM, staff not directly related to the CDM portfolio has become more aware of the involvement of their LDC in CDM. This heightened awareness better positions the LDCs to continue to promote and deliver programs within their service territory.

4.6 Commercial Programs:

The Small Business Lighting initiative has been in market for some time and is approaching saturation. The program has been well received by customers as illustrated by the participation numbers. Continued approach to those who did not participate is generally being met with limited returns.

The evaluation and introduction of new technologies for inclusion in the various commercial programs assists with the target achievement. The inclusion of LED lamps provides opportunity within this program for added savings. While the work of the C&I Working Group has introduced some very positive changes, the application process continues to be challenging for customers in the retrofit program.

4.8 DR 3 Contribution:

The third year of the program continued to see interest in DR 3. Furthermore, the Roving Energy Manager has assisted in identifying opportunities at a variety of customer installations. Within the strategies filed by CHEC LDCs, DR 3 accounted for approximately 3.4 MW of demand. In evaluating the demand contribution of various programs it becomes apparent that DR 3 is required to obtain the demand reduction. Limited retrofit initiatives have been focused on demand as most have been focused on energy reduction. DR 3 will continue to be promoted to assist obtaining future demand savings although the ability to add to the 2014 demand target is limited due to the March 2014 cancellation of the program.

5.0 Revised CDM Strategy:

The Addendums for each LDC contain a tracking of the CDM Strategy. A number of the LDCs have modified their strategies based on their results to the end of 2013. The combined strategy for the 13 CHEC LDCs is summarized in Table 4.

The revised Strategies anticipate a total of 16.4 MW and 107.5 GWh to be saved by December 2014. These projected savings represent 64% and 93.4% respectively of the demand and energy targets for the 13 LDCs. This is a reduction of expected target achievements from those previously noted in the 2012 Annual Report.

CHEC LDCs remain committed to CDM and obtaining kW and kWh savings. Results to date however indicate that expectations for full target achievement may not be realistic within the provincial programs.

The specific activities associated with each LDC are outlined in the attached Addendums.

Table 4 – CHEC CDM Combined Strategy:

Summary																				
Annual Milestone - Contribution to 2014 Target																				
Category - Consumer	2011 Original Strategy Projection		Actual 2011 Results		2012 Revised Strategy Projection		Actual 2012 Results		2013 Revised Strategy Projection		Actual 2013 Results		2014 Revised Strategy Projection		Actual 2014 Results		Revised Total Projected Reduction		Contribution to Target	
	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
Provincial Programs																				
Appliance Retirement	92	2,124,285	74	2,102,677	77	1,124,617	72	1,216,018	58	732,121	61	532,404	63	380,084	0	0	270	4,231,182	207	3,851,098
Instant Discounts (Rebates)	28	2,893,444	58	3,942,109	28	1,787,544	33	1,713,721	19	927,638	31	1,008,998	20	459,212	0	0	141	7,124,040	121	6,664,828
HVAC Discounts (Rebates)	205	1,286,117	410	3,173,721	336	1,588,507	280	1,514,923	222	764,551	287	1,047,261	289	607,656	0	0	1,267	6,343,561	978	5,735,905
Demand Response	607	3,846,518	130	338	130	338	0	0	1,018	2,977,503	146	0	832	255,731	0	0	1,108	256,068	276	338
Midstream Incentives	3	82,243	0	0	0	0	0	0	3	19,945	0	0	2	6,207	0	0	2	6,207	0	0
New Construction	25	250,419	0	0	1	6,486	0	1,232	28	131,323	1	24,771	24	106,557	0	0	26	132,560	1	26,003
Low Income	0	0	0	0	12	186,345	13	387,814	157	1,652,205	47	866,648	116	798,077	0	0	177	2,052,539	60	1,254,462
Provincial Consumer Total	960	10,483,027	672	9,218,844	584	4,693,837	398	4,833,707	1,504	7,205,286	573	3,480,082	1,347	2,613,524	0	0	2,990	20,146,158	1,643	17,532,634
OEB Approved Programs																				
General Consumer	36	0	0	0	0	0	0	0	10	0	0	0	0	0	0	0	0	0	0	0
Low Income	5	0	0	0	0	0	0	0	5	0	0	0	0	0	0	0	0	0	0	0
OEB Approved Programs Total	41	0	0	0	0	0	0	0	15	0	0	0	0	0	0	0	0	0	0	0
Consumer Program Total	1,001	10,483,027	672	9,218,844	584	4,693,837	398	4,833,707	1,519	7,205,286	573	3,480,082	1,347	2,613,524	0	0	2,990	20,146,158	1,643	17,532,634
Annual Milestone - Contribution to 2014 Target																				
Category - Commercial & Institutional	2011 Original Strategy Projection		Actual 2011 Results		2012 Revised Strategy Projection		Actual 2012 Results		2013 Revised Strategy Projection		Actual 2013 Results		2014 Revised Strategy Projection		Actual 2014 Results		Revised Total Projected Reduction		Contribution to Target	
	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
Provincial Programs																				
rofits – Medium and Large Buildings	987	7,342,065	266	7,087,736	1,712	9,875,529	957	12,473,024	1,443	7,290,139	756	8,360,055	1,760	9,345,757	0	0	3,740	37,266,573	1,979	27,920,815
Existing Building Retrofits – Small Buildings	835	16,571,055	450	5,852,737	576	7,733,791	634	7,346,407	1,259	8,097,565	441	3,260,774	1,004	2,937,019	0	0	2,529	19,396,937	1,525	16,459,918
Small Commercial Demand Response	19	39,713	56	12	19	1,070	0	0	39	58,569	15	148,792	56	291,415	0	0	127	440,218	71	148,804
Demand Response 1 & 3	0	37	526	7,522	120	15,376	-341	19,359	375	60,075	194	6,270	357	13,684	0	0	736	46,835	379	33,150
Provincial Commercial & Inst. Total	1,841	23,952,871	1,298	12,948,007	2,427	17,625,765	1,250	19,838,789	3,117	15,506,348	1,406	11,775,891	3,178	12,587,875	0	0	7,132	57,150,563	3,954	44,562,688
OEB Approved Programs																				
Retrofits	79	0	0	0	0	0	0	0	79	0	0	0	0	0	0	0	0	0	0	0
New Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OEB Approved Programs Total	79	0	0	0	0	0	0	0	79	0	0	0	0	0	0	0	0	0	0	0
Commercial & Inst. Total	1,920	23,952,871	1,298	12,948,007	2,427	17,625,765	1,250	19,838,789	3,196	15,506,348	1,406	11,775,891	3,178	12,587,875	0	0	7,132	57,150,563	3,954	44,562,688

Cornerstone Hydro Electric Concepts Association

	Annual Milestone - Contribution to 2014 Target																			
	2011 Original Strategy Projection		Actual 2011 Results		2012 Revised Strategy Projection		Actual 2012 Results		2013 Revised Strategy Projection		Actual 2013 Results		2014 Revised Strategy Projection		Actual 2014 Results		Revised Total Projected Reduction		Contribution to Target	
Category - Industrial	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
Program Name																				
Industrial Accelerator	55	1,284,928	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Industrial Equipment Replacement	431	10,125,877	53	2,938,736	436	5,576,430	0	0	381	3,361,143	0	0	183	1,026,032	0	0	236	3,964,769	53	2,938,736
Demand Response 1	0	7	0	0	0	0	0	0	0	4	0	0	1	1	0	0	1	1	0	0
Demand Response 3	24	524,494	1,549	90,925	21	436,972	66	52,874	410	678	980	48,065	75	775	0	0	2,670	192,638	2,595	191,863
Provincial Industrial Total	511	11,935,306	1,602	3,029,661	457	6,013,402	66	52,874	791	3,361,825	980	48,065	259	1,026,809	0	0	2,907	4,157,408	2,648	3,130,599
OEB Approved Programs																				
A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
B	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OEB Approved Programs Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Industrial Total	511	11,935,306	1,602	3,029,661	457	6,013,402	66	52,874	791	3,361,825	980	48,065	259	1,026,809	0	0	2,907	4,157,408	2,648	3,130,599
	Note: Sums above do not include Orillia Power's projected or actuals as Strategy not itemized by initiatives																			
CDM Strategy Total	2011 Original Strategy Projection		Actual 2011 Results		2012 Revised Strategy Projection		Actual 2012 Results		2013 Revised Strategy Projection		Actual 2013 Results		2014 Revised Strategy Projection		Actual 2014 Results		Revised Total Projected Reduction		Contribution to Target	
Program Total	3,952	48,501,204	4,319	29,548,017	3,958	32,093,004	1,845	28,356,940	5,726	30,193,459	3,255	17,058,356	6,383	20,658,209	0	0	15,859	95,894,130	9,419	74,963,314
2010 Contribution	0	0	577	11,452,775	6	29,450	32	307,683	0	0	0	0	0	0	0	0	438	8,540,239	609	11,760,458
Adjustments to Verified Final Results	0	0	0	0	0	0	-12	1,508,758	0	0	167	2,755,323	0	0	0	0	147	3,055,595	155	4,264,081
Adjusted Total	3,952	48,501,204	4,896	41,000,793	3,964	32,122,454	1,865	30,173,381	5,726	30,193,459	3,422	19,813,679	6,383	20,658,209	0	0	16,444	107,489,963	10,183	90,987,852
				10,250,198				10,057,794						9,906,839					Target to Achieve	25,720
																				119,510,000
Percentage of Target	2011 Original Strategy Projection		Actual 2011 Results		2012 Revised Strategy Projection		Actual 2012 Results		2013 Revised Strategy Projection		Actual 2013 Results		2014 Revised Strategy Projection		Actual 2014 Results		Revised Total Projected Reduction		Contribution to Target	
	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
	15.4%	40.6%	19.0%	34.3%	15.4%	26.9%	7.3%	25.2%	22.3%	25.3%	13.3%	16.6%	24.8%	17.3%	0.0%	0.0%	64%	93.4%	39.6%	76.1%
	Note: Total Projection is formed of 2011, 2012 & 2013 Actuals added with 2014 Revised Strategy Projection																			

6.0 Addendums:

Centre Wellington Hydro	Addendum 1
COLLUS Power Stream.....	Addendum 2
Innisfil Hydro Distribution Systems.....	Addendum 3
Lakefront Utilities.....	Addendum 4
Lakeland Power Distribution.....	Addendum 5
Midland Power Utility.....	Addendum 6
Orangeville Hydro.....	Addendum 7
Orillia Power.....	Addendum 8
Parry Sound Power.....	Addendum 9
Rideau St. Lawrence Distribution.....	Addendum 10
Wasaga Distribution Ltd.....	Addendum 11
Wellington North Power.....	Addendum 12
West Coast Huron Energy.....	Addendum 13

Wellington North Power Inc.

ED-2002-0511

Addendum 12 – CHEC CDM Combined Annual Report 2013

Conservation and Demand Management

2013 Annual Report

Board File No. EB-2010-0215

Submitted to:

Ontario Energy Board

Submitted on September 30, 2014

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Executive Summary

This annual report is submitted by Wellington North Power Inc. (Wellington North Power, WNP), Ontario Energy Board Licence ED-2002-0511, 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 Wellington North Power Inc.'s Strategy. Accordingly, this report outlines Wellington North Power Inc.'s CDM activities for the period of January 1, 2013 to December 31, 2013 and includes:

- Net peak demand and net energy savings achieved for the years of 2011, 2012 and 2013;
- Discussion of the current/future Conservation and Demand Management (CDM) framework;
- CDM program activities with successes and challenges; and
- Forecasted savings to the end of 2014.

Wellington North Power Inc. did not apply for any Board-Approved CDM Programs during 2013; 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 Wellington North Power Inc. While these results are anticipated to improve the reported savings, no allowance has been made in this submission.

In 2011, Wellington North Power Inc. 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 Wellington North Power Inc. continued to place significant emphasis on the programs in market. During this period Wellington North Power Inc. focused on customer education and program delivery, with a number of Customer Information Sessions held, participating in local events, bill inserts and advertising in the local newspapers. Wellington North Power Inc. continues to deliver ERII and Direct Install programs, as well as the Home Assistance Program. Unfortunately, there has been slow customer uptake on the Peak Saver Plus program.

Below is an overview of the steps taken by Wellington North Power Inc.:

- Launched all available Programs following their release by the OPA;
- Delivered marketing to inform consumers in all sectors;

- Informed industry stakeholders about OPA Programs and the use of online application system;
- Effectively partnered with CHEC (Cornerstone Hydro Electric Concepts) LDCs to form partnerships and delivery models for the various programs in an efficient manner;
- In conjunction with other CHEC LDCs engaged the services of a Roving Energy Manager;
- Actively participated in Electrical Distribution Association (EDA, LDC and OPA working groups through our own staff or CHEC resources in order to improve and simplify the existing programs and processes; and
- Transitioned pre-2011 projects into 2011.

In 2013 Wellington North Power Inc. continued to deliver in market programs with the associated advertising, marketing and providing customer support. The commercial programs such as ERII and Small Business Lighting continued to have generally good traction in the market place and demonstrated industry recognition. While the Peaksaver RFP had been released towards the end of 2012, the award of the contract and technology selection as well as system preparedness issues resulted in limited market exposure in 2013.

During this period the Roving Energy Manager’s contract was renewed to continue the important collaborative resource for CHEC LDCs.

The residential programs continue to struggle to produce significant gains within the sector, when compared to the Commercial programs.

To date Wellington North Power Inc. has achieved 0.2 MW (**232 kW**) of net incremental peak demand savings and 3.0 GWh (**2,960,239 kWh**) of net incremental energy savings at the end of 2013. A summary of the achievements towards the CDM targets is shown below:

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

Implementation Period	Annual (MW)			
	2011	2012	2013	2014
2011 – Verified by OPA	0.0	0.0	0.0	0.0
2012 – Verified by OPA	0.0	0.1	0.1	0.1
2013 – Verified by OPA	0.0	0.0	0.1	0.1
2014				
Verified Net Annual Peak Demand Savings in 2014:				0.2
WELLINGTON NORTH POWER INC. 2014 Annual CDM Capacity Target:				0.9
Verified Portion of Peak Demand Savings Target Achieved (%):				24.9%

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	0.2	0.2	0.2	0.1	0.6
2012 – Verified by OPA	0.0	0.5	0.5	0.5	1.5
2013 – Verified by OPA	0.0	0.2	0.4	0.4	0.9
2014					
Verified Net Cumulative Energy Savings 2011-2014:					3.0
WELLINGTON NORTH POWER INC. 2011-2014 Cumulative CDM Energy Target:					4.5
Verified Portion of Cumulative Energy Target Achieved (%):					65.5%

Wellington North Power Inc. was encouraged by the introduction of the demand response programs; however, customers have not been quick to uptake the programs and we recognize the peak demand target will be a challenge to achieve. Wellington North Power Inc. feels more confident about its ability to achieve its energy consumption target. Given the expected shortfall in demand, Wellington North Power Inc. continues to work actively with customers and encouraging them to participate in the programs and initiatives. In addition Wellington North Power Inc. has partnered with the Cornerstone Hydro Electric Concepts (CHEC) Association, Ontario Power Authority (“OPA”) and the Electrical Distribution Association (“EDA”) to improve program effectiveness; however it is Wellington North Power Inc.’s opinion that we will be unable to meet the forecasted peak demand savings.

Wellington North Power Inc.’s experience indicates that the long planning and capital cycles for many of the commercial and industrial customers has deterred many of them from participating in the initiatives. It is unlikely, large projects, if not submitted by early to mid-2014, will be implemented in time to provide savings by the December 31st target deadline. While the program funding for incentives has been extended to December 2015, which maintains program delivery, it may have also removed the drive for larger customers to move forward at an earlier date to avoid losing the incentive if not implemented by December 2014. Currently, based on the Minister’s Directive, only kW and kWhs implemented by December 2014 will be counted towards target. The lack of coordination between the program funding extension and the implementation of savings to be counted towards target may impact negatively on achieving targets. One of the major obstacles to achieving both the kW and the kWh target for LDCs is the netting of consumption savings by the Ontario Power Authority. This practice reduces energy savings by approximately thirty (30) percent. Customer applications list the expected savings and the evaluation confirms it, however the netting penalizes LDCs by not apply the gross energy savings.

A detailed updated forecast on pages 64 and 65 of this report shows, Wellington North Power Inc. is expecting a shortfall of approximately **0.624** MW versus Wellington North Power Inc.'s 2014 peak demand reduction target of **0.930** MW. Although, the peak demand savings are below its mandated target, Wellington North Power Inc. expects to achieve approximately ninety-three (93.4) percent or 4,263,749 kWhs of the 2014 electricity energy savings target. Although Wellington North Power Inc. is expecting a shortfall, we continue to work actively on participant engagement. In addition Wellington North Power Inc. has partnered with other LDCs, and has been working with the Ontario Power Authority ("OPA") and the Electrical Distribution Association ("EDA") to improve program effectiveness. However, it is Wellington North Power Inc.'s opinion that it will not fully overcome the forecasted peak demand savings shortfall or meet one hundred percent of the electricity energy savings target.

In the table below, Wellington North Power Inc. has provided an updated forecast of its proposed achievable Peak Demand (kW) and Energy Consumption (kWh) savings to the end of 2014. The LDC anticipates that the company will only reach 33 percent of its target for Peak Demand savings and 94.3 percent of its Energy Consumption savings:

Target			Achieved 2011-2013	Revised Projection 2014	% Achieved versus Target
Peak Demand	930	kW	232	306	33%
Energy Consumption	4,520,000	kWh	2,960,239	4,263,749	94.3%

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 the electricity distributor. to require Wellington North Power Inc., as a condition of its license, to achieve **4.52 GWh** of energy savings and **0.93 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, Wellington North Power Inc. submitted its CDM Strategy on November 1, 2010 and revised in the company's Conservation and Demand Management Report to the Ontario Energy Board on September 30, 2013. The Strategy provided a high level of description of how Wellington North Power Inc., intended to achieve its CDM targets.

The Code also requires a distributor to file annual reports with the Board. This is the third Annual Report by Wellington North Power Inc. and has been prepared in accordance with the Code requirement and covers the period from **January 1, 2013 to December 31, 2013**.

Wellington North Power Inc. submitted its 2011 Annual Report on September 28, 2012 which summarized the CDM activities, successes and challenges experienced by Wellington North Power Inc. 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 Ontario Power Authority (OPA) to fund CDM programs which 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 set by the Ontario Energy Board. Therefore, the main focus of the LDCs remains the achievement of CDM targets by December 31, 2014. The lack of coordination between the program funding extension and the implementation of savings to be counted towards target may impact negatively on achieving targets.

Wellington North Power Inc. submitted its 2012 Annual Report on September 30, 2013 which summarized the CDM activities undertaken by Wellington North Power Inc. for the January 1, 2012 to December 31, 2012 period. The OEB's 2012 CDM Results Report identified that the majority of LDCs achieved close to 20% of their net peak demand (MW) target from their 2012 results. However, LDCs generally advised the Board that meeting their peak demand (MW) target is not likely to be achieved and a shortfall is expected.

LDCs collectively achieved approximately 8% of the energy savings (GWh) target, which is slightly below the 10% incremental annual savings needed each year to achieve the energy savings target. Overall the cumulative results represent approximately 65% of the net energy target of 6,000 GWh.

The report identified, that although there have been improvements to programs there still remains some issues with the design and delivery of certain initiatives that have resulted in a negative impact to some programs. In particular, the change management process still requires improvements to expedite enhancements to initiatives. The report also noted that certain initiatives may be reaching the point of market saturation and that new initiatives may need to be developed in order to take the place of the existing initiatives.

1 Board-Approved CDM Programs

Wellington North Power Inc. is participating in the Board Approved Time of Use (TOU) program. All of the company's low volume customers have been on monthly Time-of-Use billing since January 1, 2012. At the time of this filing, the Ontario Power Authority has not provided an energy savings for this initiative and as a result Wellington North Power Inc. has not included the TOU cumulative energy savings.

1.1 Introduction

In its Decision and Order dated November 12 2010 (**EB-2010-0215** and **EB-2010-0216**), in order to meet the mandatory CDM targets the OEB ordered that *"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 Conservation and Demand Management ("CDM") program that has been offered in Wellington North Power Inc.'s service area beginning January 1, 2012.

1.2 TOU Pricing

1.2.1 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"). Wellington North Power Inc. has determined that Time of Use is having a favorable effect on Customer behavior and a positive approach to creating a conservation culture.

In accordance with a Directive dated March 31, 2010 by the Minister of Energy and Infrastructure, the Ontario Energy Board is of the view that any evaluations of savings from TOU pricing should be conducted by the Ontario

Power Authority and then allocated to distributors. Wellington North Power Inc. will report these results upon receipt from the OPA.

The OPA had retained the Brattle Group as the evaluation contractor and has been working with an expert panel convened to provide advice on methodology, data collection, models, savings allocation etc. The initial evaluations were conducted in 2013 with five LDCs – Hydro One, THESL, Hydro Ottawa, Thunder Bay and Newmarket. Preliminary results were issued to these five LDCs in August, 2013 and are now publically available on the OPA website. Preliminary results demonstrated load shifting behaviours from the residential customer class.

Three additional LDCs were added to the study in 2014 - Cambridge-North Dumphries, Powerstream and Sudbury. Preliminary results from this study are expected to be issued to the eight participating LDCs in September 2014. The OPA advised that the TOU study will be complete in the summer of 2015 and the final verified savings will be available for LDCs to include in the 2014 OEB Annual Report.

As of September 30, 2014, the OPA has not released any verified results of TOU savings to Wellington North Power Inc. Therefore, Wellington North Power Inc. is not able to provide any verified savings related to LDC's TOU program at this time.

1.2.2 TOU Program Description

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

Initiative Frequency: Year-round (Monthly Billing)

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

Description: In August 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 meter 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:

RPP TOU Effective Date	Rates (cents/kWh)		
	On Peak	Mid Peak	Off Peak
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
November 1, 2013	12.9	10.9	7.2
May 1, 2014	13.5	11.2	7.5

Delivery: The Ontario Energy Board set the Time of Use rates; LDCs install, maintain and read the meters and move its customers to TOU billing.

Initiative Activities/Progress:

Wellington North Power Inc. transitioned all of its RPP customers to monthly TOU billing on January 1, 2012. As of December 31st, 2011, Wellington North Power Inc. had 3,650 meters installed at each of its low-volume customers' premises.

Wellington North Power Inc. provided notice to customers of the pending change concerning the move to Time-of-Use (TOU) billing. Notice was provided on Wellington North Power Inc.'s website, bill inserts as well as advertisements in local newspapers. These communications were intended to inform, educate and provide awareness to our customer of the changes to TOU

1.3 Wellington North Power Inc.'s Application with the OEB

In accordance with Appendix C of the CDM Code an LDC may apply to the Ontario Energy Board for approval of a Conservation and Demand Management Program. Wellington North Power Inc. did not submit a CDM program application to the Ontario Energy Board in 2013.

1.4 Wellington North Power Application with the OPA's Conservation Fund

In 2013, the Ontario Power Authority introduced the Conservation Fund to help meet LDC's interest in the development and launch of new local, regional and province-wide initiatives. The Conservation Fund's LDC Program Innovation Stream fast-tracks LDC-led program design and the launch of successfully piloted initiatives prior to full scale deployment. By driving program innovation through the Conservation Fund, LDCs have the

opportunity to both realize additional savings through the piloting and implementation of initiatives not currently addressed by the OPA portfolio and the means to test concepts for future local or province-wide programs post 2014. As per the OPA, as of March 2014, three pilot projects have been contracted and are underway with Toronto Hydro and Niagara Peninsula Energy and ten others are in various stages of the contracting and development process.

In addition, building on LDC interest in social benchmarking services for the residential sector, in 2013 the Conservation Fund in collaboration with Hydro One, Milton Hydro and Horizon Utilities completed the procurement of three social benchmarking pilot projects. Beginning in 2014 these services will be offered to more than 100,000 customers for a one year period, with evaluation reports published shortly thereafter.

Wellington North Power Inc. did not submit a CDM program application to the OPA's Conservation Fund in 2013

2 OPA-Contracted Province-Wide CDM Programs

Listed below are the OPA-Contracted Province-Wide CDM Programs that are offered in Wellington North Power Inc.'s service area.

2.1 Introduction

Effective March 2011, Wellington North Power Inc. 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 that were completed in 2011:

Initiative	Schedule	Date schedule posted	LDC in Market Date
Residential Programs			
Appliance Retirement	Schedule B-1, Exhibit D	Jan 26, 2011	March 6, 2011
Appliance Exchange	Schedule B-1, Exhibit E	Jan 26, 2011	March 6, 2011
HVAC Incentives	Schedule B-1, Exhibit B	Jan 26, 2011	March 6, 2011
Conservation Instant Coupon Booklet	Schedule B-1, Exhibit A	Jan 26, 2011	March 6, 2011
Bi-Annual Retailer Event	Schedule B-1, Exhibit C	Jan 26, 2011	March 6, 2011
Retailer Co-op	n/a	n/a	n/a
Residential Demand Response	Schedule B-3	Aug 22, 2011	July 2, 2013
New Construction Program	Schedule B-2	Jan 26, 2011	June 26, 2011
Home Assistance Program	Schedule E-1	May 9, 2011	June 1, 2012
Commercial & Institutional Programs			
Efficiency: Equipment Replacement	Schedule C-2	Jan 26, 2011	March 6, 2011
Direct Install Lighting <ul style="list-style-type: none"> General Service <50 kW 	Schedule C-3	Jan 26, 2011	March 6, 2011
Existing Building Commissioning Incentive	Schedule C-6	Feb 2011	March 6, 2011
New Construction and Major Renovation Initiative	Schedule C-4	Feb 2011	March 6, 2011
Energy Audit	Schedule C-1	Jan 26, 2011	March 6, 2011
Commercial Demand Response <ul style="list-style-type: none"> General Service <50 kW 	Schedule B-3	Jan 26, 2011	July 2, 2013
Industrial Programs - General Service 50 kW & above			
Process & System Upgrades	Schedule D-1	May 31, 2011	March 6, 2011
Monitoring & Targeting	Schedule D-2	May 31, 2011	March 6, 2011
Energy Manager	Schedule D-3	May 31, 2011	September 24, 2012
Key Account Manager ("KAM")	Schedule D-4	May 31, 2011	September 24, 2012
Efficiency Equipment Replacement Incentive <ul style="list-style-type: none"> (part of the C&I program schedule) 	Schedule C-2	May 31, 2011	June 1, 2011
Demand Response 3	Schedule D-6	May 31, 2011	April 1, 2011

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

- Electricity Retrofit Incentive Program
- High Performance New Construction
- Multifamily Energy Efficiency Rebates

As per the table below, several program initiatives are no longer available to customer or have not been launched in 2013.

Not in Market	Objective	Status
Residential Program		
Midstream Electronics	Encourages retailers to promote and sell high efficiency televisions, and for distributors to distribute high efficiency set top boxes.	Did not launch and removed from Schedule in Q2, 2013.
Midstream Pool Equipment	Encourage pool installers to sell and install efficient pool pump equipment in residential in-ground pools.	Did not launch and removed from Schedule in Q2, 2013.
Home Energy Audit Tool	This is a provincial online audit tool to engage customers in conservation and help drive customer participation to CDM programs.	Did not launch and removed from Schedule in Q2, 2013.
Commercial & Institutional Program		
Direct Service Space Cooling	Offers free servicing of air conditioning systems and refrigeration units for the purpose of achieving energy savings and demand reduction.	Did not launch 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.
Industrial Program		
DR1	As above	No customer uptake for this initiative. Removed in Q4, 2012.

The Master CDM Program Agreement includes program change management provision in Article 3. Collaboration between the OPA and the Local Distribution Companies (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.

2.2 Program Descriptions

Full Province-Wide CDM Program descriptions are available from the Ontario Power Authority at <http://powerauthority.on.ca/ldc-province-wide-program-documents> and additional initiative information can be found on the saveONenergy website at <https://saveonenergy.ca>. The targeted customer class, objectives, and individual descriptions for each program initiative are detailed in Appendix A.

Wellington North Power Inc. offers customer in our service area the following programs:

Residential Programs

- Appliance Retirement
- Appliance Exchange
- HVAC Incentive
- Conservation Instant Coupon Booklet
- Bi-Annual Retailer Event
- Residential Demand Response (Peaksaver Plus)
- New Construction Program
- Home Assistance Program

Commercial & Institutional Programs

- Efficiency: Equipment Replacement (ERII Retrofit)
- Direct Install Lighting
- Existing Building Commissioning Incentive
- New Construction and Major Renovation
- Energy Audit
- Commercial Demand Response

Industrial Programs – General Service 50 kW and above

Process & System Upgrades

Monitoring and Targeting

Efficiency Equipment Program (ERII Retrofit)

Demand Response 3

2.2.1 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 addition of LED technology to the Bi-annual Retailer Event and the Annual Coupons in July, 2013 will have a positive impact on customer participation. There was the added benefit of three LDC custom coded coupon options for LDCs to utilized in 2013.

The Residential Demand Response Program was expected to be the largest contributor in the province for demand savings in the Residential Program and was expected to gain significant traction in 2013. While the Peaksaver RFP had been released in 2012, awarding of the contract, technology selection and system preparedness issues resulted in limited market exposure in 2013. Unfortunately, there has no savings associated to the Energy Display attributed to LDC in the OPA's verified results.

There continues to be concern with the technology for in Home Displays and the consumer interaction (battery replacement, inability to update rate schedules remotely and integration into existing metering systems) resulting in hesitation to participate in the program. During 2013, Wellington North Power Inc. was only able to implement the program at three Residential and one General Service <50 kW customer premises and to date no savings have been attributed for the initiative.

- Wellington North Power Inc. participated in community events to promote awareness and provide education on residential programs. Wellington North Power Inc. participated in the following community events in 2013: Fireworks Festival, Wellington County Community Connects [home assistance education], Arthur and Mount Forest Home Shows, Showcase Wellington North, and the Arthur Fall Fair. At these events staff answered questions relating to residential programs as well as handed out marketing material, coupons and distributed saveONenergy program literature.
- Wellington North Power Inc. advertises residential saveONenergy programs a number of different ways: on-line, bill insert, Twitter and regular ads published in the local newspapers to promote the residential programs. Local newspaper advertisements in the Wellington Advertiser are published in partnership with Centre Wellington Hydro and include weekly "Conservation Tips" that promotes conservation awareness.

- Unfortunately the Residential Programs, including the Home Assistance Program have not been successful in their contributed to Wellington North Power Inc.'s peak demand savings. Only 0.048 MW of the 0.232 MW of demand savings achieved to the year-end of 2013, are attributed to the residential customer class. Within Wellington North Power Inc.'s CDM forecast, residential program represent an additional 0.076 MW of demand savings to the end of 2013. It was assumed, with the roll-out of PeaksaverPlus Program, kW demand savings would improve. However, the program in general has underperformed in our service area.
- According to the Ontario Power Authority's final verified results, Residential Programs implemented by Wellington North Power Inc. have achieved a total of 624,298 kWh in the energy consumption savings between January 1, 2011 and December 31, 2013. Unfortunately, the residential programs have underperformed, when measured against Wellington North Power Inc.'s 2014 CDM forecast strategy of 223 kW. When compiling the CDM Strategic Plan, we assumed, because 85 percent of our customer base is residential, the class would be a large contributor to the energy savings, which did not materialize. However, it should be noted that the residential programs have still made a positive contribution.
- The Residential Program Portfolio is predominately a carryover of initiatives from previous programs. It is mostly driven by retailers and contractors who many not have fully delivered what we had anticipated. Three new initiatives (Midstream Electronics, Midstream Pool Equipment and Home Energy Audit Tool) were not launched and subsequently removed from the schedule 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.
- In 2013, the retail price for LED light bulbs was substantial and even though a five-dollar coupon was available, there was very little customer participation. (Wellington North Power Inc. noted, the retail price for similar LED bulbs in 2014 has significantly reduced, making the cost more appealing to the consumer.)

Province-wide advertising was re-introduced in Q3 2013. This provided limited value due to the late market entry, especially for *peaksaverPLUS*.

Work to revitalize and increase the effectiveness and breadth of the Initiatives through the Residential Program continue to be a high priority. Opportunities within the Residential marketplace need to be identified, developed and offered to customers. The Version 5 Schedule changes implemented in Q1/Q2 2014 have increased the number of LDC coded coupons available and added new installations to the Heating and Cooling Incentive.

As a result of the underperformance of the Residential Programs in our service area, Wellington North Power Inc. will again be revising its Strategic Plan.

2.2.1.1 Appliance Retirement Initiative (Exhibit D)

Initiative Activities/Progress:

The Appliance retirement program saw a decrease in activity, not only in Wellington North Power Inc.'s service area, but across the province. In the Wellington North Power Inc. service territory only 43 units being retired in 2013. This is a significant decrease from the 94 units in 2012 and 59 units retired in 2011.

This program is the largest contributor to Wellington North Power Inc.'s residential energy consumption savings, having contributed 0.25 GWh of consumption savings to the end of 2013. Wellington North Power Inc. will continue to promote the program to customers, throughout 2014.

Additional Comments:

- Due to the duration of the program, and the revised eligibility requirements 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 participation is very responsive to province wide advertising, OPA province-wide advertising should continue to play a key role if the initiative continues.
- Better relationships with retailer vendors may play a role in increasing participation in this Initiative. Retailer vendors can provide opportunities to capture replacement appliances and have them decommissioned after a sale has been committed.
- In an effort to capture additional savings in the perceived last year of the Initiative, the eligibility requirement for refrigerators was revised from 20 years old to 15 years old in Q2 2014.

2.2.1.2 *Appliance Exchange Initiative (Exhibit E)*

Initiative Activities/Progress:

In 2013 Wellington North Power Inc. had a very poor response to the Appliance Exchange Initiative. Only one retailer in our service area participated in the program, with no uptake from customers.

Between 2011 and 2013, there has only been 13,453 kWhs of savings achieved from the initiative.

Additional Comments:

- The design of the Initiatives, including eligible measures and incentives amounts are developed through the Residential Working Group. Retail Partner(s) are contracted by the OPA to deliver the initiatives province-wide. Individual LDCs have the opportunity to stage in-store events to drive the distribution of LDC coded Coupons and promotion of other programs in the portfolio
- 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.
- In 2012 there was a decrease in the number of window air conditioners being received through the program. A review of eligible measures in the Appliance Exchange program was conducted, and as these units are not cost effective on their own it was determined that they be removed from the program in order to improve the overall cost effectiveness of the Initiative
- Notification to LDCs 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.

2.2.1.3 HVAC Incentives Initiative (Exhibit B)

Initiative Activities/Progress:

- Wellington North Power Inc. has two qualified contractor participating in the program. In 2013 the HVAC Incentive initiative saw a decrease in participation with 25 HVAC incentives being completed, compared to 31 in 2012 and 27 in 2011. HVAC incentives are the largest contributor to Wellington North Power Inc.'s residential peak demand savings, having contributed 25 kW of savings overall. This represents approximately 53% of all demand savings achieved by Wellington North Power Inc. within the Residential Programs.
- Unfortunately, Wellington North Power has no HVAC contractors in Arthur, Ontario, which is the southern part of the company's service area. Wellington North Power Inc. has encouraged contractors to join the program however, no HVAC contractor from Arthur has participated in the program to date. Wellington North Power Inc. advertises this program on the company's website, twitter, bill inserts and all community events the LDC attended as well as regular advertisements published in the local newspapers to promote this initiative.

Additional Comments:

- Incentive levels appear to be insufficient to entice participants to upgrade HVAC equipment prior to end of useful life. It is hoped that the introduction of an Air Miles incentive in 2013 will increase the customer participation throughout 2014.
- This initiative is contractor driven with LDCs responsible for the marketing efforts. More engagement with the HVAC contractors has been undertaken to drive a higher proportion of furnace and central air conditioner sales.
- 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, impacting both 2012 and 2013 energy savings.
- LDC HVAC reports have been delayed and are not as complete and accurate as required for 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 4500-5000 HVAC contractors in the Province, however only 1500 are participating in program.
- Changes to the Schedule in 2014 to allow for incentives for new installations, rather than strictly replacement units, may provide greater Initiative results.

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 are not attributed to the LDC target, impacting on the ability to achieve target.

2.2.1.4 Conservation Instant Coupon Initiative (Exhibit A)

Initiative Activities/Progress:

Wellington North Power Inc. had Instant Coupons printed with the OPA individual company barcode and stocks them at our office front desk, making them readily available for customers when they visit. Wellington North Power Inc. also handed these coupons out at all tradeshow and/or event we attended after the coupons became available. There was a significant increase in the number of coupon customers used in 2013 compared to 2012. The number of coupons used in 2013 was 219, as opposed to only 20 coupons in 2012 and in 2011, 319 coupons were utilized by customers.

Wellington North Power Inc. believes these OPA coupons, are a great way for the distribution company to promote energy efficient products to our residential customers. Coupons allow Wellington North Power Inc. to promote the purchase of energy efficient equipment. Also LED lighting is relatively expensive, when compared with incandescent; however, coupons subsidize the purchase of this efficient equipment for customers. In time, as the technology matures it can be expected that product prices will drop and LED lighting will become a more affordable and efficient option.

Additional Comments:

- The timeframe for retailer submission of redeemed coupons varies depending on the retailer and in some cases has been lengthy. The delays and incomplete results reporting limits the ability to react and respond to Initiative performance or changes in consumer behaviour.

- Coupon booklets were not printed and mailed out in 2013 so were not widely available to consumers without the ability to download and print online coupons. In addition, consumers may not have been aware of the online coupons. The Initiative may benefit from province-wide marketing as a substitute to a mail out campaign.
- 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.
- In 2013, LDCs were provided with 3 custom coded coupons. All coupons have been provided with LDC custom coding in 2014 which allows LDCs to promote coupons based on local preferences.
- Consumer experience varies amongst retailers offering Coupon discounts which can limit redemptions. For example, a particular high volume 'participating retailer' does not accept coupons and have their own procedure. In addition, some retailers have static lists of eligible products and will not discount eligible products unless the product on the list.
- The saveONenergy programs would benefit from specific end cap displays, aisle product stands and product-specific areas. Having products throughout a retail environment weakens the impact.

2.2.1.5 *Bi-Annual Retailer Event Initiative (Exhibit C)*

Initiative Activities/Progress:

Wellington North Power Inc. has achieved good results for this initiative, while having limited retailers in our service area. In 2013 Wellington North Power Inc. had 598 coupons used, a slight reduction from the 2012 number of 671 units and 602 units in 2011, but still a popular program with customers. The retailers in our service area that participated in the events were Canadian Tire and Home Hardware. Wellington North Power Inc. supported these events, having staff in store to handout coupons and answer any questions customers had regarding products being offered. Demand savings achieved with this program are minimal; however, the program has certainly contributed to the overall energy savings.

Additional Comments:

- This Initiative is strongly influenced by the retail participants and has no direct involvement from the LDCs.
- LDCs have the opportunity to stage in-store events to drive the distribution of LDC coded Coupons and promotion of other programs in the portfolio however this requires cooperation from the local retailer and LDC staff bandwidth.
- Limited engagement of local retailers can restrict the savings potential for this Initiative.
- The Product list has changed very little over the past five years.
- 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 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.
- 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.
- Independently the Retailer Co-op and Bi-Annual Retailer Event Initiative may not present a value for the investment of LDC resources to support these events and should be backed by a strong Residential portfolio.
- Coupon initiatives can be effective however, a coordinated program maintaining profile of the coupon program in both spring and fall is required to help ensure customer interest and awareness of energy efficient devices continues.

2.2.1.6 Retailer Co-op

Initiative Activities/Progress:

Due to the fact that no larger retail chains are located in Wellington North Power Inc.'s service area this initiative did not see any participation.

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 demonstration in store during the events would be an asset. While this could be a valuable role for LDCs, in many smaller centres the number of customers engaged at an event is quite low, impacting the benefits of assigning resources.

2.2.1.7 New Construction Program (Schedule B-2)

Initiative Activities/Progress:

Wellington North Power Inc. has had very little growth in new home construction in our service area. This has hampered the opportunities to be able to implement these incentives.

The complexity of the application process has been a barrier for building contractors participating in the program.

Wellington North Power Inc. has no large-scale developers or home builders in our service area and has only realized the contribution of the province-wide energy savings.

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 builder upgrade options without an immediate benefit to the consumer.
- In 2012 the application process was streamlined, however continues to be too cumbersome for builders. This combined with limited return has resulted in this Initiative to continue to under-achieve.

- Administrative requirements, in particular individual home modeling, must align with perceived stakeholder payback
- Performance applications are expected to increase in 2014 due to some industry player's interest in the Initiative. However, it is anticipated that the performance track will be the primary track used in applications, which provides low savings for the incentive provided. Savings and associated incentives may need to be revised to an appropriate level.
- Smaller contractors have not seen the cost benefit to participate in the program for the small number of homes they build.
- The addition of LED light fixtures, application process improvement and moving the incentive from the builder to the home-owner may increase participation.
- This Initiative may benefit from collaboration with the Natural Gas utilities.

2.2.1.8 Residential Demand Response Program (Schedule B-3)

Initiative Activities/Progress:

The Request for Proposal (RFP) for CHEC LDCs was released in late 2012 to engage providers and to finalize technology, to commence the delivery of the program in 2013. It was anticipated that the initial year would allow any technology issue to be resolved and marketing of the program to begin. The bulk of installations were anticipated to occur in 2014.

Issues with respect to the launch of the program moved the in-market date later than anticipated including postponed installations and communication capabilities further complicating the issue was the need to terminate installation as colder weather approached, to avoid completing the initial test of the units, when air conditioners would not be operating.

The delay in undertaking the RFP was solely based on the state of available technology. Many concerns have existed with the ability of the available technology to meet consumer and LDC needs for a lasting benefit. Issues included: devices utilizing batteries and battery life and replacement; inability to change rate structure remotely and the ability of customers to make the changes; integration with existing smart meter systems to provide a state of the art solution rather than merely moving forward to meet the requirements of the program delivery.

- Wellington North Power Inc. worked with our meter manufacturer, the CHEC group of utilities and our service provider to implement this program in 2013.
- Technology challenges or compatibility with metering equipment and in-home displays has been a barrier to the seamless roll-out of this program.
- Demand Response is an important program Wellington North Power Inc. hoped to leverage to reach peak demand targets.
- Wellington North Power Inc. notes that the different meter technologies in the market in Ontario will result in a different customer experiences participating in this program.
- The cooler summer experienced in Ontario during 2013, impacted this PeakSaver Plus program.

Additional Comments:

- In Home Energy Display units that communicate with installed smart meter technology continue to mostly be in the development phase and are not ready for market deployment. There continues to be a lack of Energy Display selection in the marketplace.
- Smart Meters installed by most LDCs do not have the capability to communicate directly to an In Home Display and any mass replacement of newly installed meters with communicating abilities would not be fiscally responsible. 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 all the time and when IHD is optional.
- Given the different LDC environments, and needs, each LDC is positioning the Initiative slightly differently. While a Thermostat has high marketability, it also carries a higher maintenance liability due to no-heat and no-AC calls. A switch with an independent IHD is seen as a lower liability option but also has a much lower marketability.

- This is the main Initiative within the Residential portfolio that was to drive savings for LDC, however the 2012 evaluation indicated savings realized from the IHD were not statistically significant. LDCs were advised that the evaluation of the IHDs would continue with 2013 data.
- Verified demand savings in 2012 from the load control devices were less than originally anticipated. This prompted an increase to the load cycling strategy in 2013 in order to increase savings closer to the original business case.

2.2.2 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. These Programs are to help fund energy audits, to replace energy-wasting equipment or to pursue new construction that will exceed 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 which serve them.

Discussion:

Throughout 2011 to 2013 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. 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 interpretation, limited marketing ability, a somewhat inflexible online system of checks and balances and revolving OPA support personnel.

Wellington North Power Inc. continues to advertise and promote the Commercial and Institutional programs a number of different ways: face to face customer engagement, attending community events, on-line, bill insert advertising and regular advertisements published in the local newspapers to promote the C&I programs.

Despite these challenges the C&I Working Group, working in cooperation with the OPA, have managed to iron out many of the issues which could be rectified. In particular, an accomplishment of 2012 was the advent of the expedited change management as means to accelerate certain program changes. 2013 saw the benefits of expedited change management process.

Commercial and Institutional Program portfolio is the most significant contributor to Wellington North Power Inc.'s demand and consumption targets. Within the portfolio in Wellington North Power Inc.'s area, only the Retrofit and Direct Installed Lighting programs were utilized; however, that did not impede this portfolio from heavily contributing to Wellington North Power Inc.'s energy savings progress to date. This portfolio has provided 184 kW towards Wellington North Power Inc.'s peak demand target and 2,196,620 kWh towards the company's consumption target.

Wellington North Power Inc. has 472 customers in the under 50kW class. In the Direct Install Lighting Program, 205 installs under 50kW customers or approximately 43% have participated in lighting initiatives to date, with energy savings 646,017 kWh between 2011 and 2013.

Engaging customer in 2013 was our main focus. Wellington North Power Inc. arranged face to face meetings; scheduled assessments aimed at educating the commercial customers of the incentives available and the energy saving that could be realized by participating in the program. Wellington North Power Inc. also presented the saveONenergy program portfolio, with the expectation that educating would increase our customer's familiarity with the programs and in turn generate conservation program applications.

Commercial and Institutional programs continues to represent the best prospect for Wellington North Power Inc. target achievement in 2014. The greatest opportunity is in the Retrofit program, where customers have the option of customizing their energy-saving project to their own need.

The C&I portfolio continues to offer one of the best avenues for savings and will continue to be focused on over the remaining program years.

During 2012 and 2013 Wellington North Power Inc. along with other CHEC LDCs received funding for a Roving Energy Manager (REM) to assist member LDCs. This key resource provides CHEC members the ability to offer energy assessments, saving evaluations and program recommendations to C & I customers. The resource has the knowledge base to assist industrial and commercial customers to identify savings and implement programs to achieve savings while taking the customer's needs into consideration.

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.

The C & I portfolio does appear to be maintaining traction within the industry with a number of companies and consultants making applications. The continued availability of the program is being incorporated into business cases within the sector.

Throughout 2013 Wellington North Power Inc. with other CHEC LDCs benefited from the efforts of the Roving Energy Manager. The ability to collaboratively obtain this resource has been very beneficial.

2.2.2.1 Efficiency: Equipment Replacement Incentive (ERI) (Schedule C-2)

Initiative Activities/Progress:

Wellington North Power has only forty-five (45) customers in the >50kW class. In 2013 Wellington North Power Inc. completed five (5) Retrofit projects compared to seven (7) Retrofit projects in 2012. Face to Face meetings were arranged with Wellington North Power Inc.'s industrial customers in 2011, 2012 and 2013, to promote the value of the Ontario Power Authority's saveONenergy programs and make them aware of eligible projects, with significant benefits. During these meetings, activities were discussed and assistance available to help them with energy efficiency projects.

The Retrofit program has contributed the most peak demand and energy consumption savings within the C&I portfolio of programs. The Retrofit program has contributed 1,549,287 kWh or about 52% of Wellington North Power Inc.'s energy savings to date. The program has also contributed 130 kW or 56% of peak demand savings Wellington North Power Inc. has seen from the C&I portfolio.

Retrofit Program has been the largest contributor to both demand and energy consumption targets at Wellington North Power Inc. This program has contributed approximately 14% of Wellington North Power Inc.'s total demand savings target to date and almost 35% of Wellington North Power Inc.'s total consumption target to date.

Wellington North Power Inc. worked with the Ontario Power Authority through a waiver process for a customer, which was submitted in November 2012. The waiver was required as a pre-audit was never completed prior to the

customer implementing their project, which installed more energy-efficient lighting. The customer did have a facility energy assessment completed in 2011, however, failed to follow the process regarding a pre-audit. Wellington North Power Inc. submitted a waiver in support of the project, which was recognized and approved by the OPA in May of 2013. However, the project closing process and the incentive payment release took many more months to resolve. As of August, 2014 these energy savings have finally appeared in Wellington North Power Inc.'s Conservation & Demand Management Report provided by the Ontario Power Authority. One of the issues with the waiver process, is it can understate the LDC's energy saving for a number of years.

Unfortunately, the waiver process had a negative impact on Wellington North Power Inc.'s ability to market additional saveONenergy programs to this customer. This is a significant customer for Wellington North Power Inc. and their experience has caused resistance to participating in future CDM programs and initiatives, which will make the company's targets more difficult to achieve.

Electrical contractor engagement has been an obstacle for Wellington North Power Inc. There are only a handful of Electrical Contracting Companies in our service area and we have had to resort to using the services of a company from Barrie, which is two hours away. The local contractors seem disinterested in completing the required paperwork for these projects.

Wellington North Power Inc. has been utilizing the service of our REM since late 2012 and we have been able to continue to actively promote his services to all of our commercial and industrial customers.

Additional Comments:

- A large proportion of LDC savings are attributed to ERII.
- Capability building programs from Industrial programs have had very positive contributions to ERII program.
- This Initiative is limited by the state of the economy and the ability of commercial/institutional facility to complete capital upgrades.
- Applicants and Applicant Representatives continue to express dissatisfaction and 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.

- 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 evolution of the marketplace.
- A focus on demand incentives has limited some kWh project opportunities. In particular, night lighting projects have significant savings potential for customers but tend to have incentives of 10% of project cost or less.
- The requirement to have a customer invoice the LDC for their incentive is very burdensome for the customer and results in a negative customer experience and another barrier to participation.
- There is redundancy in the application process as customers may need to complete a worksheet and then enter most of that information over to the online application form. This can be cumbersome.
- Processing Head Office application became much easier for the Lead LDC after Schedule changes came into effect in August 2013. The changes implemented allowed the Lead LDC to review and approve all facilities in a Head Office application on behalf of all satellite LDCs under certain circumstances.
- The application process for Head Office projects remains a significant barrier. Applicants need to manually enter one application per facility associated with the project can be extremely onerous, often requiring a dedicated resource.
- Streamlining of the settlements systems resulted in significant improvement in the payment process in 2013.

2.2.2.2 Direct Install Initiative (DIL) (Schedule C-3)

Initiative Activities/Progress:

Wellington North Power Inc. completed 9 Direct Install Initiatives in 2013 as opposed to 39 Direct Install initiatives in 2012 and 31 completed in 2011.

Direct Install Lighting (DIL) program has contributed significantly to peak demand and energy consumption savings within the C&I portfolio of programs. The DIL program has contributed 646,017 kWh of energy consumption savings and 54 kW of peak demand savings toward Wellington North Power targets.

DIL program has been a significant contributor to both demand and energy consumption targets at Wellington North Power Inc. The program has contributed 23% of Wellington North Power's total demand value to date and just about 22% of Wellington North Power Inc.'s total consumption savings to date.

Wellington North Power has 472 General Service Class customers under 50kW of demand. At the year-end 2013, Wellington North Power Inc. had completed lighting projects for 205 or 43% of the eligible customers since 2009. Wellington North Power Inc. feels the customer-base in our service area is becoming saturated and future demand and consumption savings will be more difficult to achieve. Some commercial customer rent their premises and will not invest in the property or participate in the program.

Wellington North Power Inc. views this as a valuable program. For the most part, customers that have participated have been satisfied and have really appreciated the work completed under the initiative.

The increase in incentive up to \$1,500 provided leverage to increase participation in the program in 2012 and 2013.

Additional Comments:

- LED lighting was introduced in 2013 as a new measure and has been well received by customers who may not have previously qualified for DIL eligible upgrades. This is an efficient product with a long estimate useful life.
- Cold start high output lighting was removed from the program. This particularly affected the farming customers who now have limited options within the program to utilize.
- The inclusion of a standard incentive for additional measures increased project size and drove higher energy and demand savings results in some situations. However, 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 upgrades has potential to provide additional energy and demand savings

- Many customers are not taking advantage of any additional measures, which may present an opportunity to for future savings with a new program offering.
- Electrical contractor's margins have been reduced due to no labour rate increase, increase cost of materials, greater distances between retrofit and more door knocking required before a successful sale. This has led to a reduction in vendor channel participation in some regions.
- Measure incentives and additional funding for fork lifts were introduced in September 2013 and were well received by installers. However, adjustments like these require longer lead times. As such, many customers were not able to benefit from this change in late 2013. Consideration should be given to providing advanced notification to LDCs and contractors of the upcoming changes to allow for planning.

2.2.2.3 Existing Building Commissioning Incentive Initiative (Schedule C-6)

Initiative Activities/Progress:

General promotion of this initiative with similar programs was utilized. The opportunity for chilled water systems is limited in Wellington North Power Inc. service territory.

- Due to the lack of industry that uses chilled water systems in our service area Wellington North Power Inc. has had no uptake on 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 a significant 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.

2.2.2.4 New Construction and Major Renovation Initiative (HPNC) (Schedule C-4)

Initiative Activities/Progress:

Wellington North Power Inc. has not had any developer, contactor or builder participation in this program.

This program is dependent upon the type of development and renovations proposed in the service territory. Development is continuing to be monitored to determine projects available for this program.

Additional Comments

- With the Ministerial Directive issued December 21, 2012, facilities with a completion date near the end of 2014 currently have some security that they will be compensated for choosing efficient measures. However, buildings that are in the planning phase with completion dates post-2015 may not participate due to funding uncertainty.
- Participants estimated completion dates tend to be inaccurate and are usually six months longer. This could result in diminished savings towards target when facilities are not substantially completed by December 31, 2014.
- The custom application process requires considerable customer support and skilled LDC staff. The effort required to participate through the custom stream exceeds the value of the incentive for many customers.
- There are no custom measure options for items that do not qualify under the prescriptive or engineered track as the custom path does not allow for individual measures, only whole building modelling.
- This Initiative has a very low net-to-gross ratio, which results in half the proposed target savings being 'lost'.
- The requirement to have a customer invoice the LDC for their incentive is very burdensome for the customer and results in a negative customer experience and a potential barrier to participation.

2.2.2.5 Energy Audit Initiative

Initiative Activities/Progress:

The audit program has been promoted in site visits and customer information sessions. To the end of 2013 no applications were received by Wellington North Power Inc. However it is realized the planning window may take some time for customers to implement. The assistance of the CHEC Roving Energy Manager may increase audit applications.

Additional Comments

- The introduction of the new audit component for one system (i.e. compressed air), has increased customer participation.
- The energy audit Initiative is considered an ‘enabling’ Initiative and ‘feeds into’ other saveONenergy Initiatives.
- Evaluators in 2012 and 2013 recognized savings towards LDCs targets as a result of customers implementing low/no cost recommendations from their energy audits.
- 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.
- Participation has been limited to one energy audit per customer which has restricted enabling and direction to the other Initiatives. This has been revised in 2014 and LDCs are now able to consider additional customer participation when presented with a new scope of work.
- Consideration should be given to allowing a building owner to undertake an audit limited to their lighting system. This way they may receive valuable information from neutral third party regarding the appropriate lighting solution for their facility instead of what a local supplier wants to sell.
- The requirement to have a customer invoice the LDC for their incentive is very burdensome for the customer and results in a negative customer experience and another barrier to participation

2.2.3 INDUSTRIAL PROGRAM

Description: Large facilities are discovering the benefits of energy efficiency through the Industrial Programs which are 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 which 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 significant incentives and valuable resources to large facilities to help them with energy efficiency upgrades and process system improvements. The Engineering Studies in particular as well as the Monitoring and Targeting initiative provide a unique opportunity for a customer to complete a comprehensive analysis of an energy intensive process that they otherwise may not undertake. The Energy Manager Initiative provides 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.

- The Roving Energy Manager for CHEC LDCs has been assisting with this initiative.
- Wellington North Power Inc. advertises saveONenergy programs a number of different ways: Face to face meeting and information sessions, company website, Twitter, bill insert advertising and regular advertisements published in the local newspapers to promote the Industrial programs.

Within the service territory of Wellington North Power Inc. there are a limited number of customers who can take advantage of the industrial portfolio of programs. In many instances the focus has been on the ERII program from the C&I Programs. The promotion of Industrial Programs will be assisted with the services of the CHEC Roving Energy Manager, a position which was filled in the 3rd quarter of 2012. The CHEC LDCs received approval for the REM again in 2013.

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 an LDC's current target for projects that go into service after 2014.

Extensive legal documents, complex program structure and lengthy change management have restricted the change and growth of this Portfolio. While the expedited change management has benefited the Commercial Portfolio, the Industrial Portfolio has not seen the same results due to the narrow scope of the process. For 2013 the change to the threshold for small capital projects and the new small capital project agreement are expected to improve the number of projects and savings achieved within PSUI. Likewise, a decision to proceed with 2012 natural gas load displacement generation projects applications will also increase uptake although the limited time to bring new projects into service is a barrier.

2.2.3.1 Process & Systems Upgrades Initiative (PSUI) (Schedule D-1)

Initiative Activities/Progress:

Wellington North Power Inc. had no uptake in this program in 2012 or 2013. We had hoped the hiring of a Roving Energy Manager for CHEC LDCs would assist with this initiative moving forward.

Additional Comments:

- Numerous energy studies have been submitted and completed across the province. 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 2013. The majority of the results are expected in 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.

- The contract required for PSUI is a lengthy and complicated document. A key to making PSUI successful is a new agreement which is a simplified with less onerous conditions for the customer.
- To partially address this, changes were made to the ERII Initiative which 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 which 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. This small capital project agreement was finalized in August 2013.
- While there is 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.
- The requirement to have a customer invoice the LDC for their incentive is very burdensome for the customer and results in a negative customer experience and another barrier to participation.

2.2.3.2 Monitoring & Targeting Initiative (Schedule D-2)

Initiative Activities/Progress:

Monitoring and Targeting is promoted by the Roving Energy Manager where appropriate. Wellington North Power Inc. had no uptake in this program in 2012 or 2013. It was hoped the customers would utilized the Roving Energy Manager for this initiative.

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.

- Changes were made to ERII in 2013 to allow smaller facilities to employ M&T systems.
- Some LDCs and Customers are reporting difficulties in hiring capable Roving or Embedded Energy Managers (REM/EEM), in some instances taking up to 7 months to have a resource in place.
- New Energy Managers require training, time to familiarize with facilities and staff and require time to establish “credibility”. Energy Managers started filling their pipeline with projects in 2012 but few projects were implemented until 2013.

2.2.3.3 Energy Manager Initiative (Schedule D-3)

Initiative Activities/Progress:

The Roving Energy Manager has been actively engaging customers across the CHEC LDCS. Typically the LDC initiates a site visit to introduce the Roving Energy Manager to the company along with the offer of assistance. The Roving Energy Manager has been very successful across the LDCs and provided significant contribution to the awareness of conservation options and to the evaluation and implementation of programs.

To support the efforts of the Roving Energy Manager access to the OPA training and other programs has been made available to the REM. This assists in building capacity and may lead to participation in the future.

Cornerstone Hydro Electric Concepts (CHEC) LDCs applied for and received approval from the Ontario Power Authority for a Roving Energy Manager, beginning September 2012 and continuing 2013. The use of a Roving Energy Manager has benefited the CHEC LDCs in the promotion and implementation of energy saving projects and initiatives for customers.

- On September 24th 2012 the CHEC group hired a REM for all of its members to utilize. Wellington North Power Inc. has found it extremely useful to be able to draw on the experience of our REM. The REM has been able to connect with the customer while assessing their facility. The biggest advantage of the REM has been the ability to quantify the saveONenergy programs with not only the energy savings for implementing these projects but also understanding the financial payback.
- Wellington North Power Inc. began utilizing our REM late in 2012 and has continued leveraging his expertise in 2013. The Roving Energy Manager was in contact with our two largest customers, with energy audits conducted in early 2013. Customers have been very receptive to these facility energy use assessments, with one customer conducting two projects. Wellington North Power Inc. has high expectations for the REM’s

services throughout 2014 with the customers that have already taken advantage of his services as well as with customers who have yet to participate.

Additional Comments:

- The Energy Managers have proven to be a popular and useful resource for larger customers.
- CHEC LDCs qualified for an REM to share among the membership utilities.
- Some LDCs and Customers are reporting difficulties in hiring capable Roving and Embedded Energy Managers (REM/EEM), in some instances taking up to 7 months to have a resource in place.
- New energy managers require training, time to familiarize with facilities and staff and require time to establish “credibility”. Energy Managers started filling their pipeline with projects in 2012 but few projects were implemented until 2013.

2.2.3.4 Key Account Manager (Schedule D-4)

Initiative Activities/Progress:

Wellington North Power Inc. did not have a Key Account Manager in 2012 or 2013. However the company’s Roving Energy Manager is now identifying possible projects for our larger customers.

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 for companies. In addition, the short-term contract discourages some skilled applicants resulting in longer lead times to acquire the right resource.

2.2.3.5 Demand Response 3 (D-6)

Initiative Activities/Progress:

Marketing efforts has been limited for Demand Response 3, with other industrial programs in literature and on website. REM is including DR3 within discussions with customers.

- Wellington North Power Inc. recognizes that DR3 represented potential for large peak demand savings for 2013 and beyond. However, Wellington North Power Inc.'s two largest customers that may benefit have 24/7 shifts with equipment that cannot be shut down.
- Wellington North Power Inc. would also like to note that due to our LDC having only forty-five (45) General Service >50 kW our small service area that there are very few large customers to market this program to. One of these large companies has been involved in a lengthy OPA waiver process that may have negatively impact their enthusiasm to participate in any subsequent programs.

Additional Comments:

- Until early 2013 customer data was not provided 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 2013 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 were able to enter into contracts beyond 2014 which 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.

2.2.4 LOW INCOME INITIATIVE (HOME ASSISTANCE PROGRAM) (Schedule E-1)

Initiative Activities/Progress:

The CHEC RFP for services to deliver the Home Assistance Program (HAP) was released in November of 2011 with award of contract in December 2011. Program set up and delivery commenced in 2012 and throughout 2013 by a Service Provider. During this time the coordination and initial set up of the program took longer than anticipated resulting in delay into market with limited results over the first year. Meetings were held with local social service providers along with general marketing of the program.

- In 2012 Wellington North Power Inc. had six (6) customers participated in the program, however the participation rate has effectively increase to fifty-seven (57) participates in 2013, with energy savings of 139,321 kWh. Program eligibility in 2012, had made marketing this program to residential customers difficult. With the inclusion of Government Housing in the 2013 program Wellington North Power Inc. anticipates an additional increase in customer participation in 2014.
- Application complexity makes this program difficult for participants to enroll. Wellington North Power Inc.'s service provider, supports the participant with their application submission, however, it can be overwhelming for those in need.
- Wellington North Power Inc.'s customers that fall into this market segment, needs assistance with their energy bills and can benefit greatly from this program.

Additional Comments:

- The process for enrolling in social housing was complicated and time consuming. This was addressed in late 2012 and showed some 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.
- The lack of deep installs continues to be an n issue with the program.

2.2.5 PRE-2011 PROGRAMS

Savings were realized towards LDC's 2011-2014 target through pre-2011 programs. Wellington North Power Inc. did not see any peak demand saving for this time period; however there were 1316 kWhs of energy consumption savings.

The targeted customer types, objectives, descriptions, and activities of these programs are detailed in Appendix B.

3 2013 LDC CDM Results

3.1 Participation and Savings

In the table below, Wellington North Power Inc. has summarized customer participation in the Ontario Power Authority Province-Wide programs between 2011 and 2013. In Wellington North Power Inc.'s final 2013 CDM results customer participation was down.

Table 1: Program Activity 2011-2013

Consumer Programs	Unit	2011	2012	2013	Total
Appliance Retirement	Appliances	59	94	43	196
Appliance Exchange	Appliances	2	15	0	17
HVAC Incentives	Equipment	27	31	25	83
Conservation Instant Coupon Booklet	Items	319	20	219	558
Bi-Annual Retailer Event	Items	602	671	598	1871
Retailer Coop	Items	0	0	0	0
Residential Demand Response	Devices	0	0	0	0
Residential Demand Response (IHD)	Devices	0	0	0	0
Residential New Construction	Devices	0	0	0	0
Consumer Program Total		1009	831	885	2725
Business Programs	Unit	2011	2012	2013	Total
Retrofit	Projects	1	7	5	13
Direct Install Lighting	Projects	31	39	9	79
Building Commissioning	Buildings				
New Construction	Buildings				
Energy Audit	Audits				
Small Commercial Demand Response	Devices				
Small Commercial Demand Response (IHD)	Devices				
Demand Response 3	Facilities				
Business Programs Total		32	46	14	92
Home Assistance Program	Unit	2011	2012	2013	Total
Home Assistance Program	Homes	0	6	57	63
Home Assistance Program Total		0	6	57	63

Table 2: Net Incremental Peak Demand Savings kW & Net Increment Energy Savings kWh

Consumer Programs	Incremental Peak Demand 2011	Incremental Peak Demand 2012	Incremental Peak Demand 2013	Net Incremental Peak Demand kW Savings	Net Incremental Energy Savings kWh 2011	Net Incremental Energy Savings kWh 2012	Net Incremental Energy Savings kWh 2013	Net Cumulative Energy Savings kWh
Appliance Retirement	3	5	3	11	24,852	38,126	18,331	250,451
Appliance Exchange	0	2	0	2	350	4,034	-	13,453
HVAC Incentives	10	9	6	25	20,522	16,329	11,502	154,082
Conservation Instant Coupon Booklet	1	0	0	1	11,756	884	4,875	59,424
Bi-Annual Retailer Event	1	1	1	3	18,586	16,938	10,865	146,889
Retailer Coop	0		0	0		-		-
Residential Demand Response	0		0	0		-		-
Residential Demand Response (IHD)	0		0	0		-		-
Residential New Construction	0		0	0		-		-
Consumer Program Total	15	17	10	42	76,066	76,312	45,573	624,298
Business Programs	Incremental Peak Demand 2011	Incremental Peak Demand 2012	Incremental Peak Demand 2013	Net Incremental Peak Demand kW Savings	Net Incremental Energy Savings kWh 2011	Net Incremental Energy Savings kWh 2012	Net Incremental Energy Savings kWh 2013	Net Cumulative Energy Savings kWh
Retrofit	1	91	38	130	2,232	311,718	550,505	1,549,287
Direct Install Lighting	29	26	7	54	74,943	106,963	24,281	646,017
Building Commissioning								
New Construction								
Energy Audit								
Small Commercial Demand Response								
Small Commercial Demand Response (IHD)								
Demand Response 3								
Business Programs Total	30	117	45	184		418,681		2,195,304
Home Assistance Program	2011	2012	2013		2013			Total
Home Assistance Program	0	1	5	6	0	9,813	55,484	139,321
Home Assistance Program Total	0	1	5	6	0	9,813	55,484	139,321
Pre-2011 Programs	2011	2013	2012		2011	2012	2013	Total
Pre-2011 Program Completed 2011	0	0	0	0	277	69	-	1,316
Home Assistance Program Total	0	0	0	0		69	-	1,316
2011-2013 Total Net Incremental Peak Demand kW Savings								232
2011-2013 Total Net Cumulative Energy kWh Savings								2,960,239

Table 3: OPA Results for Wellington North Power Inc. – August 30, 2014 (without adjustments)

Table 1: Wellington North Power Inc. Initiative and Program Level Net 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 Energy Savings (kWh)
															2014
Consumer Program															
Appliance Retirement	Appliances	59	94	43		3	5	3		24,852	38,126	18,331		11	250,451
Appliance Exchange	Appliances	2	15	0		0	2	0		350	4,034	0		2	13,453
HVAC Incentives	Equipment	27	31	25		10	9	6		20,522	16,329	11,502		25	154,082
Conservation Instant Coupon Booklet	Items	319	20	219		1	0	0		11,756	884	4,875		1	59,424
Bi-Annual Retailer Event	Items	602	671	598		1	1	1		18,586	16,938	10,865		3	146,889
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
Consumer Program Total						15	17	10		76,066	76,312	45,573		42	624,298
Business Program															
Retrofit	Projects	1	7	5		1	91	13		2,232	306,398	67,697		104	1,061,159
Direct Install Lighting	Projects	31	39	9		29	26	7		74,943	106,963	24,281		54	646,017
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	0	0		0	0	0		0	0	0		0	0
Energy Audit	Audits	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						29	117	21		77,175	413,362	91,978		158	1,707,176
Industrial Program															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	0		0	0	0		0	0	0		0	0
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						0	0	0		0	0	0		0	0
Home Assistance Program															
Home Assistance Program	Homes	0	6	57		0	1	5		0	9,813	55,484		6	139,321
Home Assistance Program Total						0	1	5		0	9,813	55,484		6	139,321
Aboriginal Program															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0		0	0	0		0	0
High Performance New Construction	Projects	0	0	0		0	0	0		277	69	0		0	1,316
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						0	0	0		277	69	0		0	1,316
Other															
Program Enabled Savings	Projects	0	0	0		0	0	0		0	0	0		0	0
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
Other Total						0	0	0		0	0	0		0	0
Adjustments to 2011 Verified Results							0	0		1,330	0	0		0	5,320
Adjustments to 2012 Verified Results								26			160,936	0		26	482,808
Energy Efficiency Total						45	135	36		153,518	499,556	193,035		206	2,472,111
Demand Response Total (Scenario 1)						0	0	0		0	0	0		0	0
Adjustments to Previous Years' Verified Results Total						0	0	26		0	1,330	160,936		26	488,128
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						45	134	62		153,518	500,886	353,971		232	2,960,239
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).		The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.								Full OEB Target:		930	4,520,000		
*Includes adjustments after Final Reports were issued		Energy Manager, Aboriginal Program and Program Enabled Savings were not independently evaluated								% of Full OEB Target Achieved to Date (Scenario 1):		25.0%	65.5%		

Table 4: OPA Adjustments to 2013 Wellington North Powers' Net Verified Results (No adjustments in 2013)

		Table 2: Adjustments to Wellington North Power Inc. Net Verified Results due to Variances											
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)			
		2011*	2012*	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program													
Appliance Retirement	Appliances	0	0			0	0			0	0		
Appliance Exchange	Appliances	0	0			0	0			0	0		
HVAC Incentives	Equipment	-2	0			-1	0			-1,010	5		
Conservation Instant Coupon Booklet	Items	5	0			0	0			174	0		
Bi-Annual Retailer Event	Items	52	0			0	0			1,381	0		
Retailer Co-op	Items	0	0			0	0			0	0		
Residential Demand Response	Devices	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		
Consumer Program Total						-1	0			545	5		
Business Program													
Retrofit	Projects	0	1			0	24			0	154,111		
Direct Install Lighting	Projects	1	1			0	2			785	6,820		
Building Commissioning	Buildings	0	0			0	0			0	0		
New Construction	Buildings	0	0			0	0			0	0		
Energy Audit	Audits	0	0			0	0			0	0		
Small Commercial Demand Response	Devices	0	0			0	0			0	0		
Small Commercial Demand Response (IHD)	Devices	0	0			0	0			0	0		
Demand Response 3	Facilities	0	0			0	0			0	0		
Business Program Total						0	26			785	160,931		
Industrial Program													
Process & System Upgrades	Projects	0	0			0	0			0	0		
Monitoring & Targeting	Projects	0	0			0	0			0	0		
Energy Manager	Projects	0	0			0	0			0	0		
Retrofit	Projects	0	0			0	0			0	0		
Demand Response 3	Facilities	0	0			0	0			0	0		
Industrial Program Total						0	0			0	0		
Home Assistance Program													
Home Assistance Program	Homes	0	0			0	0			0	0		
Home Assistance Program Total						0	0			0	0		
Aboriginal Program													
Home Assistance Program	Homes	0	0			0	0			0	0		
Direct Install Lighting	Projects	0	0			0	0			0	0		
Aboriginal Program Total						0	0			0	0		
Pre-2011 Programs completed in 2011													
Electricity Retrofit Incentive Program	Projects	0	0			0	0			0	0		
High Performance New Construction	Projects	0	0			0	0			0	0		
Toronto Comprehensive	Projects	0	0			0	0			0	0		
Multifamily Energy Efficiency Rebates	Projects	0	0			0	0			0	0		
LDC Custom Programs	Projects	0	0			0	0			0	0		
Pre-2011 Programs completed in 2011 Total						0	0			0	0		
Other													
Program Enabled Savings	Projects	0	0			0	0			0	0		
Time-of-Use Savings	Homes	0	0			0	0			0	0		
Other Total						0	0			0	0		
Adjustments to 2011 Verified Results						0				1,330			
Adjustments to 2012 Verified Results							26				160,936		
Total Adjustments to Previous Years' Verified Results						0	26			1,330	160,936		
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).		The IHD line item on the 2013 annual report has been left blank pending a results update from evaluations; results will be updated once sufficient information is made available.				Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above does not consider persistence of savings							

Table 5: Summarized Program Results

The following Table represents Wellington North Power Inc.'s - Gross Savings, Net Savings and Contribution to Targets from the Final Verified Annual 2013 CDM Report prepared by the Ontario Power Authority. Standard E&V methods have been applied by the OPA to determine the net figures which are outlined in this report.

Program	Gross Savings		Net Savings		Contribution to Targets	
			Incremental Peak Demand Savings (MW)	Incremental Energy Savings (GWh)	Program-to-Date: Net Annual Peak Demand Savings (MW) in 2011-2014	Program-to-Date: 2011-2014 Net Cumulative Energy Savings (GWh)
Consumer Program Total	0.020	0.078257	0.010	0.045573	0.042	0.624298
Business Program Total	0.028	0.124454	0.021	0.091978	0.158	1.707176
Industrial Program Total	0	0.055484	0	0	0	0
Home Assistance Program Total	0.005	0	0.005	0.055484	0.006	0.139321
Pre-2011 Programs completed in 2011 Total	0		0	0	0	0.001316
Other Adjustments	0.042	0.258882	0.026	0.160936	0.026	0.488128
Total OPA Contracted Province-Wide CDM Programs *please make sure you complete the total line	0.095	0.517076	0.062	0.353971	0.232	2.960239

3.2 Evaluation

2013 Evaluation Findings

The results below are the Ontario Power Authority “High Level Key Evaluation Findings” for 2013.

CONSUMER PROGRAM

Appliance Retirement Initiative

- Per unit savings increased for both energy (+15.4%) and demand (+4.0%) between 2012 and 2013 due to a greater proportion of refrigerators/freezers with large volumes and a manufacturer date before National Appliance Energy Conservation Act (NAECA) was implemented. Dehumidifiers also show a higher per unit savings related to the change in ENERGY STAR definitions.
- Overall participation continues to decline with 20,952 appliances recycled in 2013, compared with 34,146 in 2012 and 56,110 in 2011. The program has experienced close to a 40% reduction (39.1% 2011 to 2012, 41.1% 2012 to 2013) in recycled appliances in each subsequent year of operation.
- Net to gross ratio stayed constant at around 43% between 2012 and 2013

Appliance Exchange Initiative

- Increased per unit energy and demand savings due to an adjustment to the assumed consumption of "conventional" and Energy Star dehumidifiers. The calculated weighted average annual energy savings of a exchanged dehumidifier increased 36.6%
- Of the participants surveyed who reported they had replaced the dehumidifiers they exchanged, 100% reported purchasing ENERGY STAR® models.
- 21% increase in the number of eligible dehumidifiers collected in the program. In 2013, 5,337 dehumidifier units were collected compared to 3,617 dehumidifier units and 219 window air conditioners.
- Net to Gross ratio (NTG) was 52.6% which is a slight increase of the 2012 NTG of 51.5%

Heating and Cooling Initiative

- Total participation (equipment) increased 7.5% from 2012 to 91,581.
- Per unit furnace savings decreased from 1139 kWh/yr. in 2012 to 1090 kWh/yr. due to a slight shift in the number of participants who use their furnace fan non-continuously both before and after the retrofit as opposed to changing from continuous to non-continuous operation
- Per unit energy and demand savings assumptions for central air conditioners did not change from 2012.

Annual Coupons

- Customers redeemed more than ten times as many annual coupons in 2013 as in 2012 because of new LED coupons and full year availability of all coupons. Customers redeemed 13% more annual coupons in 2013 than in 2011, the first full year of annual coupons due to the high volume of new LED coupons.
- There was a significant reduction in savings specialty CFL related measures. In 2013, the findings showed around 30% of participants are replacing incandescent bulbs compared to 60% of participants replacing incandescent bulbs in 2012.
- Despite the significant per unit savings reductions, the Net Annual Savings from Annual Coupons in 2013 was more than 5.5 times that in 2012. This is primarily because of higher participation due to the inclusion of LED coupons and full year availability of all coupons.
- 93% of coupons redeemed in 2013 were for general purpose LEDs and specialty CFLs and LEDs, producing 89% of net annual energy savings and 84% of net demand savings.
- Measure NTG ratio was approximately 8% higher in 2013 than in 2012 due to the inclusion of participant like spillover, i.e., purchase of additional coupon initiative measures without using coupons because of program influence.

Bi-Annual Coupon Events

- 19% increase in the number of coupons redeemed during the Spring and Fall Events in 2013 compared to 2012 because of substantial increase in LED purchases with event coupons.
- 36% lower net annual savings in 2013 compared to 2012 primarily because of significant reductions in per unit savings estimates for standard and specialty CFLs. In 2013, findings showed a decrease in replacement rate of incandescent bulbs. Only 30% of 2013 participants are estimated to have replaced incandescent bulbs compared to 60% of participants replacing incandescent bulbs in 2012. This leads to a change in the baseline assumption for the savings calculations.
- 87% of coupons redeemed were for general purpose and specialty CFLs and LEDs, producing 80% of net annual energy savings and 73% of net demand savings
- Measure NTG ratio was approximately 8% higher in 2013 than in 2012 due to the inclusion of participant like spillover, i.e., purchase of additional coupon initiative measures without using coupons because of program influence.

peaksaverPLUS

- The cycling strategy for CAC load control was changed from 50% simple cycling to 60% simple cycling.
- Under 1-in-10 year weather conditions, the 2013 estimated impacts for load control devices are higher than the 2012 estimates in all months and are between 10 and 15% higher during the core summer months of June through August.
- Load impact estimates for the average small and medium business and for electric water heaters among residential customers are also unchanged from the prior year's analysis
- This year's IHD analysis has yielded an estimate of no statistically significant energy savings.

Residential New Construction

- Energy and demand savings for the Initiative increased by 300% compared to the combined 2011 and 2012 results ; number of projects also increased from 45 in 2011 and 2012 to 86 in 2013.
- All projects are opting for the prescriptive or performance path. No custom project applications were received in 2013, similar to 2011-2012.
- Net-to-gross ratio for the initiative was higher by 14% from 49% in 2012 to 63% in 2013.

HOME ASSISTANCE PROGRAM

Home Assistance Program

- Participation increased significantly to 26,756 participants in 2013 from 5,033 in 2012
- Realization rates were slightly lower in 2013 (0.88 for kWh and 0.26 for kW) than in 2012 (0.98 for kWh and 0.32 for kW) primarily due to updated verified per unit assumptions.
- Realization rate for demand savings remained low as FAST Tool calculated kW savings for certain insulation measures remained very high and recommended revisions to kW savings factors were not yet in use in 2013 (changes to the FAST Tool to address these issues were made in early 2014)

BUSINESS PROGRAM

Retrofit

- A total of 8,785 projects completed in 2013. Reported energy savings for individual projects ranged from 1 kWh to over 5,000,000 kWh
- Net to Gross ratio (NTG) for energy was 72.8%, consistent with prior years
- NTG for demand was 72.0%, consistent with prior years
- NTG ratios are comparable to similar programs across North America

Small Business Lighting

- In 2013 the initiative introduced: a) an increase in the incentive to \$1500 from \$1000, b) new LED measures c) Agribusiness eligibility, resulting in the stabilization of participation and an increase in savings.
- 17,782 projects completed in 2013 (3.8% decrease from 2012)
- However, 12.2% increase in Net Verified Energy Savings relative to 2012.
- The average incentive per project and savings per project both increased between 2012 to 2013
- Net to Gross ratio (NTG) for 2013 remained unchanged at 94%

Audit Funding

- 319 audits were completed in 2013
- 2013 sample saw more recommended measures implemented without incentives (33% in 2013 vs. 13% in 2012)
- The average per audit summer peak demands savings is estimated to be 13 kW.

Existing Building Commissioning

- 29 unique participants in the 2013 population
- No Commissioning projects completed the hand-off/completion phase in 2013
- Improvements to the chilled water system controls were the most commonly targeted measure.
- Large variation in estimated savings results between preliminary investigation phase and actual implementation phase

High Performance New Construction

- Number of projects increased by 25% from 69 in 2012 to 86 in 2013.
- Custom projects, representing only about 8% of the total number of projects, account for 67% of verified demand savings and 54% of verified energy savings.
- A realization rate of 72% for energy savings is low due to the low realization rate of the Agribusiness high ventilation, low speed fans which comprised of 15 % of the HPNC prescriptive project energy savings.
- Net-to-gross ratio for the initiative was higher by 5% from 49% in 2012 to 54% in 2013.

INDUSTRIAL PROGRAM

Process and Systems Upgrade Initiative

- In 2013, three PSUI projects were put into service. Projects were very well documented and technical reviews were thorough. Most projects are delivering the level of energy savings expected or more (realization rates of 87% for energy savings and 86% for summer demand savings)
- Good level of quality on M&V conducted in each project. The level of free-ridership was found to be very low, at only 7% for energy savings and 6% for demand savings, and no spillover was identified.
- Energy Managers are seen as important drivers of program enabled savings projects. Almost a 300% increase vs. 2012 in the amount of energy savings from program enabled savings projects.

DR-3

- The largest 20 contributors account for 60% of the contractual demand reduction – in other words, less than 5% of contributors account for the majority of the load reductions.
- In 2013, DR-3 was successfully dispatched locally for the first time in order to provide assistance in restoring power after a prolonged power outage due to substation flooding.

Note:

The Key Evaluation findings are derived from the 2013 evaluations of the saveONenergy programs. These findings were developed by 3rd party evaluation contractors. Complete findings are detailed in the contractors' full evaluation reports, which will be available publicly in Q4 2014.

3.3 Spending

Table 6 and 7 summarize the total spending by initiative that Wellington North Power Inc. has incurred in 2013 and cumulatively from 2011 to 2013. It is detailed by the Program Administration Budget (PAB), Participant Based Funding (PBF), Participant Incentives (PI) and Capability Building Funding (CBF).

Initiatives Not In Market have been incorporated into the main spending table. One table has been established for 2013 spending and a duplicate table has been provided for Cumulative spending.

The PAB figures align with the 2013 spend report submitted to the OPA on January 31st. Wellington North Power Inc. total PAB Budget for the 2011-2014 Conservation and Demand Management Programs is **\$279,276.48**.

To the end of 2013, Wellington North Power Inc. has received **\$241,320.14** in PAB Funding from the Ontario Power Authority and spent **\$187,882.94**. Below Wellington North Power Inc. has provided a summary of the PAB Funding and Expenses for the 2011 to 2013 period.

Tables 6 & Table 7: PAB Budget and Spending 2011-2013

Wellington North Power Inc. - PAB Budget 2011 - 2013					
Year	Residential	C & I	Industrial	Home Assistance	Annual Total
2011	\$24,226.86	\$60,000.00	\$16,000.00	\$2,130.06	\$102,356.92
2012	\$24,226.86	\$44,475.00	\$12,000.00	\$2,130.06	\$82,831.92
2013	\$16,151.24	\$29,850.00	\$8,000.00	\$2,130.06	\$56,131.30
Total	\$64,604.96	\$134,325.00	\$36,000.00	\$6,390.18	\$241,320.14
Wellington North Power Inc. - Spend 2011 - 2013					
Year	Residential	C & I	Industrial	Home Assistance	Annual Total
2011	\$13,696.03	\$19,252.06	\$8,343.65	\$247.54	\$41,539.28
2012	\$20,039.70	\$37,795.22	\$13,826.81	\$2,395.20	\$74,056.93
2013	\$22,032.07	\$38,368.66	\$10,358.04	\$1,527.96	\$72,286.73
Total	\$55,767.80	\$95,415.94	\$32,528.50	\$4,170.70	\$187,882.94

Table 8: 2013 Spending by Program Initiative

Initiative	PAB	PBF	PI	CBF	TOTAL
Consumer Program 2013					
Appliance Retirement	2,619.99				2,619.99
Appliance Exchange	2,619.98				2,619.98
HVAC Incentives	3,597.38				3,597.38
Annual Coupons	2,619.98				2,619.98
Bi-Annual Retailer Event	4,086.07				4,086.07
Retailer Co-op					
Residential Demand Response	6,488.67				6,488.67
New Construction Program					
Business Program					
Equipment Replacement	26,858.06		13,721.34		40,579.40
Direct Installed Lighting	11,510.60	2,550.00	13,511.25		27,571.85
Existing Building Commissioning Incentive					
New Construction and Major Renovation Initiative					
Energy Audit					
Small Commercial Demand Response					
Demand Response 3					
Industrial Program					
Process & System Upgrades					
a) preliminary engineering study					
b) detailed engineering study					
c) program incentive					
Monitoring & Targeting					
Energy Manager	3,426.18				3,426.18
Key Account Manager ("KAM")					
Equipment Replacement	3,505.68				3,505.68
Demand Response 3	3,426.18				3,426.18
Home Assistance Program					
Home Assistance Program	1527.96	15,200.00	18,000.60		34,728.56
TOTAL SPENDING	72,286.73	17,750.00	45,233.19		135,269.92

Table 9: Cumulative Spending by Program Initiative (2011-2014)

Initiative	PAB	PBI	PI	CBF	TOTAL
Consumer Program					
Appliance Retirement	10,860.47				10,860.47
Appliance Exchange	7,018.31				7,018.31
HVAC Incentives	11,117.11				11,117.11
Annual Coupons	7,018.31				7,018.31
Bi-Annual Retailer Event	8,484.40				8,484.40
Retailer Co-op					
Residential Demand Response	11,269.20				11,269.20
New Construction Program					
Business Program					
Equipment Replacement	71,312.40		118,834.79		190,147.19
Direct Installed Lighting	22,100.00	20,145.00	72,154.75		114,399.75
Existing Building Commissioning Incentive	1,002.22				1,002.22
New Construction and Major Renovation Initiative	1,002.22				1,002.22
Energy Audit					
Small Commercial Demand Response					
Demand Response	5,243.69				5,243.69
Industrial Program					
Process & System Upgrades					
a) preliminary engineering study	5,873.25				5,873.25
b) detailed engineering study	3,385.13				3,385.13
c) program incentive	3,385.13				3,385.13
Monitoring & Targeting	2,464.85				2,464.85
Energy Manager	3,426.18				3,426.18
Key Account Manager ("KAM")					
Equipment Replacement Incentive	3,505.68				3,505.68
Demand Response 3	5,243.69				5,243.69
Home Assistance Program					
Home Assistance Program	4,170.70	16,600.00	20,337.40		41,108.10
Pre 2011 Programs					
Electricity Retrofit Incentive Program					
High Performance New Construction					
Toronto Comprehensive					
Multifamily Energy Efficiency Rebates					
Data Centre Incentive Program					
EnWin Green Suites					
Initiatives Not In Market					
Midstream Electronics					
Midstream Pool Equipment					
Demand Service Space Cooling					
Demand Response 1					
Home Energy Audit Tool					
TOTAL SPENDING	187,882.94	36,745.00	211,326.94		435,954.88

3.4 Additional Comments

The overall portfolio performance has been impacted by a number of issues. While some of these issues were noted within the initiative discussion it is important to note within the scope of the entire portfolio.

The inclusion of the Roving Energy Manager as a resource for CHEC LDCs is seen as a significant enabler moving forward. The REM's ability to enter into industrial and commercial establishments and provide solid guidance and support to the customer is anticipated to move forward projects which will add to target. The delay in obtaining approval and hiring for the REM position was a detriment to target achievement as the delay impacts on customer contacts, lead time for completing studies and the implementation cycles by the customers, which now may extend beyond the target timeline of December 2014. If the Roving Energy Manager would have been available to LDCs in January 2012, rather than September 2012, a more positive result would be apparent on the targets achieved to the end of 2013.

Of note in the industrial and municipal area there has been competition for capital funding between MicroFIT and Conservation. With limited capital dollars available, there is consideration that renewable generation may offer a better return on investment and hence are delaying the implementation of conservation projects.

The programs which have not been placed into market or have been removed from market have not been replaced by alternate initiatives by the OPA. The lack of these programs impacts on the ability to meet target and to offer a full scope of initiatives to the customer. While the cancellation of these programs is supported, based on the OPA evaluation, the design and inclusion of alternate programs would help mitigate the impacts.

The market's ability to continue to support initiative such as DIL and the Appliance Programs are questionable. The saturation and the contribution of the initiative to target will require evaluation to determine if, on a provincial basis, the OPA expectations of the program were accurate or too optimistic. Cancellations of programs impact market place awareness and the entire suite of offerings. Hence rather than removing programs, altering the program to reflect current market pressure may be more appropriate, to ensure all capacity for savings is captured.

4 Combined CDM Reporting Elements

4.1 Progress Towards CDM Targets

Table 9 and Table 10 below provide a summary of Wellington North Power Inc.'s progress towards meeting its CDM Targets, which was provided by the OPA as part of the Final 2013 Verified Results Report for Wellington North Power Inc. The Tables measure Wellington North Power Inc.'s performance in 2011/2012/2013 against target for 2013 as set out in its CDM Strategy submitted in 2010 and revised in this submission.

Peak Demand Savings have been difficult to achieve as Wellington North Power Inc. has only 45 General Service Customers over 50 kW, which has contributed the most savings toward the mandated targets.

Table 10: Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual (MW)			
	2011	2012	2013	2014
2011 – Verified by OPA	0.0	0.0	0.0	0.0
2012 – Verified by OPA	0.0	0.1	0.1	0.1
2013 – Verified by OPA	0.0	0.0	0.1	0.1
2014				
Verified Net Annual Peak Demand Savings in 2014:				0.2
Wellington North Power Inc. 2014 Annual CDM Capacity Target:				0.9
Verified Portion of Peak Demand Savings Target Achieved (%):				24.9%

Table 11: 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	0.2	0.2	0.2	0.1	0.6
2012 – Verified by OPA	0.0	0.5	0.5	0.5	1.5
2013 – Verified by OPA	0.0	0.2	0.4	0.4	0.9
2014					
Verified Net Cumulative Energy Savings 2011-2014:					3.0
Wellington North Power Inc. 2011-2014 Cumulative CDM Energy Target:					4.5
Verified Portion of Cumulative Energy Target Achieved (%):					65.5%

4.2 Variance from Strategy

Wellington North Power Inc. has not met its overall 2011 – 2013 Strategic Plan forecast. With respect to demand savings, the company achieved **24.9** percent of the mandated target of 930 kW or **0.93** MW.

In its revised forecast in 2012, Wellington North Power Inc. estimated the milestone 57 MW of Demand Savings by the end of 2013, however only 24.9 MW has been achieved.

The largest customer class contributor for demand savings is our General Service over >50 kW. However, Wellington North Power Inc. only has 45 customers accounts in the >50 kW class. Since 2011 our two largest customers have completed projects, but the demand savings are not adequate to meet the Ontario Energy Board’s target expectations. Therefore, Wellington North Power Inc.’s Peak Demand Target for 2011 – 2014 of 0.93 MW will not be met.

Across the Province the peak demand targets have been extremely difficult to achieve, with only 27 percent success rate for all of the LDC participants to the end of 2013.

Table 12: Demand Savings – Variance 2011-2013

Wellington North Power Inc.									
CDM Results - Peak Demand Savings 2011-2013									
MW	2011 Revised Strategy	2011 Actual	2012 Revised Strategy	2012 Actual	2013 Revised Strategy	2013 Actual	2011-2013 Cumulative Strategy	MW 2011-2013 Actual	Variance CDM Strategy to Actual
Residential Programs	0.02	0.015	0.01	0.02	0.10	0.015	0.13	0.05	0.08
Commercial and Institutional	0.02	0.030	0.19	0.12	0.24	0.047	0.45	0.19	0.25
Industrial	0.00	0.00	0.00	0.00	0.00	0.000	0.00	0.00	0.00
Total	0.04	0.045	0.20	0.134	0.33	0.062	0.58	0.24	0.33

Wellington North Power Inc. is progressing well in the overall energy savings and although we have a shortfall of about 820,000 kWh, between our Strategic Plan and actual savings, we feel our customers have made an impressive contribution, to the mandated target of 4,520,000 kWh.

In its revised forecast in 2012, Wellington North Power Inc. had predicted 3.78 GWh of Energy Savings and although customers have been participating in a number of initiatives, the company has experienced a shortfall of 0.82 GWh to the end of 2013.

In Wellington North Power Inc.'s opinion, we expect to be close to Energy Consumption Savings target by the end of 2014, once the Board Approved TOU energy savings have been allocated to provincial LDCs; however there still may be a shortfall.

Table 13: Energy Consumption Savings 2011-2013

Wellington North Power Inc.									
CDM Results - Energy Consumption Saving 2011-2013									
GWh	2011 Revised Strategy	2011 Actual	2012 Revised Strategy	2012 Actual	2013 Revised Strategy	2013 Actual	2011-2013 Cumulative Strategy	2011-2013 GWh Actual	Variance CDM Strategy to Actual
Residential Programs	0.30	0.30	0.18	0.26	0.37	0.20	0.85	0.76	0.09
Commercial and Institutional	0.29	0.31	1.10	1.24	1.54	0.65	2.93	2.20	0.73
Industrial	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.59	0.61	1.28	1.50	1.91	0.85	3.78	2.96	0.82

4.3 Outlook to 2014 and Strategy Modifications

On March 31st, 2014 the Minister of Energy issued a directive entitled “Continuance of the OPA’s Demand Response Program under IESO management” which effectively halts new customer enrollments in the DR3 program until the IESO has a program in market. This is estimated to be some time in 2015.

The DR3 Initiative has been a significant contributor for some LDCs in achieving their demands savings target, however in Wellington North Power Inc.’s case there has not been a lot of uptake from customers. The program has taken time to get traction and we have been diligently working with their customers to encourage participation in the DR3 program. LDC customers are now in a position where many of them have contracted with an Aggregator but will be unable to participate due to the inability of the Aggregator to receive new contract schedules resulting in the current “pipeline” of potential DR contributors being stranded.

The table below summarizes, Wellington North Power Inc. has made revisions to our **Strategic Plan** in order to reflect our company’s current position with respect to the target achievement and expected savings to the end of 2014.

Table 14: Wellington North Power – Expected Achievable Energy Savings forecast for 2014

Target			Achieved 2011-2013	Revised Projection 2014	% Achieved versus Target
Peak Demand	930	kW	232	306	33%
Energy Consumption	4,520,000	kWh	2,960,239	4,263,749	94.3%

As illustrated in Table 15 below, Wellington North Power Inc. is continuing to rely on our 45 General Service >50kW customers for the highest contribution to our overall Peak Demand Savings and Energy Consumption Savings. Wellington North Power Inc. will work diligently to meet energy targets by the end of 2014, however all indications are; that very few LDCs in the province will be able to meet their mandated Peak Demand Target. In Wellington North Power Inc.’s revised Strategic Projections, Peak Demand Savings will have a significant shortfall from the mandated 0.930 MWs.

In its original CDM Strategic Plan, Wellington North Power Inc.’s assumption was that because our customer base is over 80 percent residential, it was expected this class would be the largest contributor to the company’s Conservation and Demand Management Targets. It should be noted, that although Wellington North Power Inc.’s residential class has made a significant contribution to energy savings, it is the General Service customer class, which have been able to contribute the most savings toward targets.

Table 15: Forecasted 2014 CDM Savings

Wellington North	Annual Milestone - Contribution to 2014 Target																			
	2011 Original Strategy Projection		Actual 2011 Results		2012 Revised Strategy Projection		Actual 2012 Results		2013 Revised Strategy Projection		Actual 2013 Results		2014 Revised Strategy Projection		Actual 2014 Results		Revised Total Projected Reduction		Contribution to Target	
Category - Consumer	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
Provincial Programs																				
Appliance Retirement	4	95,582	3	100,808	4	57,600	7	126,434	3	30,811	3	36,662	3	13,823			16	277,727	13	263,904
Instant Discounts (Rebates)	2	182,066	2	121,368	1	82,000	1	53,466	1	55,081	1	31,480	2	27,541			6	233,855	4	206,314
HVAC Discounts (Rebates)	13	81,239	10	82,088	8	40,968	9	48,987	6	44,525	6	23,007	8	23,408			33	177,490	25	154,082
Demand Response	19	90,428	0	0	0	0	0	0	0	134,976	0	0	2	69,738			2	69,738	0	0
Midstream Incentives	1	20,681	0	0	0	0	0	0	0	10,341	0	0	0	5,170			0	5,170	0	0
New Construction	1	13,984	0	0	0	0	0	0	0	10,434	0	0	0	5,945			0	5,945	0	0
Low Income	0	0	0	0	1	0	1	29,439	5	85,800	5	109,882	3	42,900			9	182,221	6	139,321
Provincial Consumer Total	39	483,979	15	304,264	14	180,568	18	258,326	15	371,968	15	201,031	18	188,525	0	0	66	952,146	48	763,621
OEB Approved Programs																				
General Consumer		0	0	0	0	0	0	0						0			0	0	0	0
Low Income		0	0	0	0	0	0	0						0			0	0	0	0
OEB Approved Programs Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consumer Program Total	39	483,979	15	304,264	14	180,568	18	258,326	15	371,968	15	201,031	18	188,525	0	0	66	952,146	48	763,621
	Annual Milestone - Contribution to 2014 Target																			
	2011 Original Strategy Projection		Actual 2011 Results		2012 Revised Strategy Projection		Actual 2012 Results		2013 Revised Strategy Projection		Actual 2013 Results		2014 Revised Strategy Projection		Actual 2014 Results		Revised Total Projected Reduction		Contribution to Target	
Category - Commercial & Institutional	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh	kW	kWh
Provincial Programs																				
Profits – Medium and Large Buildings	0	0	1	8,928	181	871,852	91	919,194	13	133,037	13	133,037	30	964,027			135	2,025,186	105	1,061,159
Existing Building Retrofits – Small Buildings	123	1,922,115	26	299,772	10	215,760	20	320,889	26	829,236	7	25,356	26	150,957			79	796,974	53	646,017
Small Commercial Demand Response	0	0	0	0	0	0	0	0	0	0			0	0			0	0	0	0
Demand Response 1	0	0	0	0	0	0	0	0	0	0			0	0			0	0	0	0
Provincial Commercial & Inst. Total	123	1,922,115	27	308,700	191	1,087,612	111	1,240,083	39	962,273	20	158,393	56	1,114,984	0	0	214	2,822,160	158	1,707,176
OEB Approved Programs																				
Retrofits																	0	0	0	0
New Construction																	0	0	0	0
OEB Approved Programs Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial & Inst. Total	123	1,922,115	27	308,700	191	1,087,612	111	1,240,083	39	962,273	20	158,393	56	1,114,984	0	0	214	2,822,160	158	1,707,176

Table 15 Continued: Forecasted 2014 CDM Savings

Annual Milestone - Contribution to 2014 Target																																																																																																																																																																						
Category - Industrial	2011 Original Strategy Projection		Actual 2011 Results		2012 Revised Strategy Projection		Actual 2012 Results		2013 Revised Strategy Projection		Actual 2013 Results		2014 Revised Strategy Projection		Actual 2014 Results		Revised Total Projected Reduction		Contribution to Target																																																																																																																																																			
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Note: Total Projection is formed of 2011, 2012 & 2013 Actuals added with 2014 Revised Strategy Projection

5 Conclusion

Over the course of 2013, Wellington North Power Inc. has achieved 232 kW in peak demand savings and 3.0 GWh in energy savings, which represents **24.9%** of Peak Demand Savings and **65.5%** of Energy Consumption Savings towards Wellington North Power Inc.'s 2011-2014 target, respectively. These results are representative of a considerable effort expended by Wellington North Power Inc., 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 Wellington North Power Inc. faces many challenges in the remaining year of the current CDM framework. Once the TOU Energy Savings have been made available to LDCs, with the current slate of available OPA Programs our focus remains on program implementation and meeting our projected savings.

Wellington North Power Inc. expects to reach 94.3 percent or 4.3 GWh of its 4.5 GWh Energy Consumption target, but unfortunately, we will not meet the company's mandated target for Peak Demand savings of 0.93 MW. Wellington North Power Inc. expects to only reach 33 percent or 0.3 MW of its Peak Demand Target by the end of 2014.

Looking ahead, it is Wellington North Power Inc.'s opinion that there is very limited opportunity to make valuable changes to the current program portfolios and have an effective impact in LDC's 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, air conditioners and dehumidifiers.

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.

In Market Date: March 06, 2011

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.

In Market Date: March 06, 2011

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.

In Market Date: March 06, 2011

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. Unfortunately the direct mail coupons are no longer available.

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.

In Market Date: March 06, 2011

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: As per 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.

In Market Date: March 06, 2011

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.

In Market Date: Not in Market

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 a/c, 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.

In Market Date: June 2011

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 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: LDC's recruit customers and procure technology

In Market Date: July 02, 2013

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.

In Market Date: March 06, 2011

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.

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.

In Market Date: March 06, 2011

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.

In Market Date: March 06, 2011

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.

In Market Date: March 06, 2011

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.

Initiative Activities/Progress:

BPI marketed this initiative to its commercial and institutional customers and received one application in 2011.

In Market Date: March 06, 2011

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 project costs
- c) A one year pay-back

Targeted End Uses: Process and systems

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

In Market Date: March 06, 2011

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.

In Market Date: March 06, 2011

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/per 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.

In Market Date: September 24, 2012

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

In Market Date: Was not in market

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.

In Market Date: January 2011

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 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.

In Market Date: June 1, 2012

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)

MULTIFAMILY ENERGY EFFICIENCY REBATES

Target Customer Type(s): Residential Multi-unit buildings

Initiative Frequency: Year round

Objective: Improve energy efficiency of Multi-unit building

Description: OPA's Multifamily Energy Efficiency Rebates (MEER) initiative applies to multifamily buildings of six units or more, including rental buildings, condominiums, and assisted social housing. The OPA contracted with GreenSaver to deliver the MEER initiative outside of the Toronto Hydro service territory. Activities delivered in Toronto were contracted with the City.

Similar to ERII and ERIP, MEER provides financial incentives for prescriptive and custom measures, but also funds resident education. Unlike ERII, where incentives are paid by the LDC, all incentives through MEER are paid through the contracted partner (i.e. GreenSaver).

Targeted End Uses: Electricity saving measures

Delivery: OPA contracted with GreenSaver