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**Coopérative Hydro Embrun inc.**

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**Conservation and Demand Management  
2014 Annual Report**

**Submitted to:  
Ontario Energy Board**

**Submitted on September 30, 2015**

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## Executive Summary

This annual report is submitted by Coopérative Hydro Embrun inc. (Coopérative Hydro Embrun) in accordance with the filing requirements set out in the Conservation and Demand Management (“CDM”) Code for Electricity Distributors, issued September 16, 2010, Board File No. EB-2010-0215 specifically, the Appendix C Annual Report Template, as a progress report and update to Coopérative Hydro Embrun’s Strategy filed with the Ontario Energy Board (“Board” or “OEB”) on November 1, 2010. Accordingly, this report outlines Coopérative Hydro Embrun’s CDM activities for the period of January 1, 2014 to December 31, 2014. It includes net peak demand and net energy savings achieved in 2011, 2012, 2013, and 2014, CDM program activities, successes and challenges.

Coopérative Hydro Embrun did not apply for any Board-approved CDM programs during 2014 however, as noted in the Guidelines for Electricity Distributors Conservation and Demand Management (“CDM Guidelines”), released April 26, 2012, the Board has deemed Time-of-Use (“TOU”) pricing to be a province-wide Board-approved CDM program. The Ontario Power Authority (“OPA”), now Independent Electricity System Operator (“IESO”), is to provide measurement and verification on TOU. The IESO TOU savings allocated to Coopérative Hydro Embrun’s 2011 -2014 targets are 14 kW and 0 kWh.

In 2011 – 2014, Coopérative Hydro Embrun contracted with the IESO to deliver a portfolio of IESO-contracted province-wide CDM programs (“IESO Programs”) to customer segments including residential, commercial, institutional, and low income. Most of these programs were rolled-out by the IESO 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 2014, Coopérative Hydro Embrun opted to offer the Province-Wide CDM Programs that best matched the requirements of our customer base. Coopérative Hydro Embrun employed a variety of marketing and program outreach campaigns to promote the various initiatives. Door to door promotion, education through public meetings, website promotions and one-on-one customer engagement were the primary marketing and advertising campaigns that were launched in 2012. The focus for 2014 was on the Direct Install Program, residential coupons, residential demand response *peaksaver* PLUS, and HVAC incentives.

Coopérative Hydro Embrun, throughout 2014 continued, to work actively on participant engagement. In addition Coopérative Hydro Embrun partnered with other LDCs, and worked with the IESO and the Electrical Distribution Association (“EDA”) to improve program effectiveness.

To date Coopérative Hydro Embrun has achieved 0.219 MW of net incremental peak demand savings and 1.536 GWh of net incremental energy savings in 2014. A summary of the achievements towards the CDM targets is shown below:

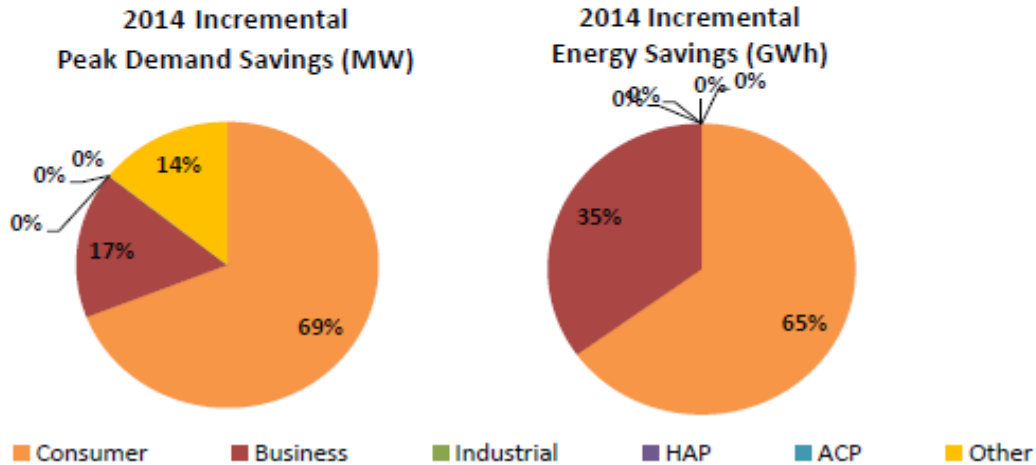
**IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report**

LDC: Cooperative Hydro Embrun Inc.

Final 2014 Achievement Against Targets	2014 Incremental	2011-2014 Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	0.1	0.2	64.4%
Net Energy Savings (GWh)	0.1	1.5	137.1%

*Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year*

**Achievement by Sector**



From the above table, Coopérative Hydro Embrun has achieved 0.219 MW or 64.4% and 1,536 MWh or 137.1% towards Coopérative Hydro Embrun’s 2014 peak demand reduction target and energy savings targets respectively. The overachievement of energy savings was mainly due to the large successes in the early penetration in 2011 and 2012 in the Direct Install, Business Retrofit, residential HVAC Incentive, Appliance Retirement, and Residential Coupon Initiatives. The underachievement of the peak demand reduction target can be attributed to a much weaker than expected consumer participation in the Residential Demand Response Initiative, the Direct Install Lighting Initiative, and only two Retrofit projects in all of the four years combined. Coopérative Hydro Embrun stated in last year’s CDM Annual Report that it would not be able to reach its peak demand target by the end of 2014.

In 2015, the Conservation First Framework (CFF) for the period 2015 -2020 will be implemented effective on January 1, 2016, to ensure a smooth transition, most 2011- 2014 Programs and Rules were extended into 2015 until the effective implementation January 1, 2016 under the Conservation First Framework.

## 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 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 Coopérative Hydro Embrun to require Coopérative Hydro Embrun, as a condition of its license, to achieve 1.120 GWh of energy savings and .340 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, Coopérative Hydro Embrun submitted its CDM Strategy on November 1, 2010 which provided a high level of description of how Coopérative Hydro Embrun intended to achieve its CDM targets.

The Code also requires a distributor to file annual reports with the Board. This is the fourth Annual Report by Coopérative Hydro Embrun and has been prepared in accordance with the Code requirements and covers the period from January 1, 2014 to December 31, 2014.

Coopérative Hydro Embrun submitted its 2011 Annual Report on September 30, 2012 which summarized the CDM activities, successes and challenges experienced by Coopérative Hydro Embrun 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 IESO, and the absence of some programs negatively impacted the final 2011 results for the LDCs. This issue was also highlighted in Volumes I and II of the Environmental Commissioner’s Report on Ontario’s Annual Energy Conservation Progress.

On December 21, 2012, the Minister of Energy directed the IESO to fund CDM programs which meet the definition and criteria for IESO-contracted province-wide CDM programs for an additional one-year period from January 1, 2015 to December 31, 2015.

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

Coopérative Hydro Embrun submitted its 2013 Annual Report on September 30, 2014 which summarized the CDM activities undertaken by Coopérative Hydro Embrun for the January 1, 2013 to December 31, 2013 period. The OEB’s 2013 CDM Results report identified that the majority of LDCs achieved close to 50% of their net peak demand (MW) target from their 2013 results. However, LDCs generally advised the Board that meeting their peak demand (MW) target is not likely and that a shortfall is expected.

In 2014, LDCs collectively achieved approximately 18% of the energy savings (GWh) target, adding to the overall cumulative result of approximately 109% of the net energy target of 6,000 GWh.

The report identifies that although there have been improvements to programs there still remains some shortcomings to 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 under the new framework.

## **1. Conservation Framework**

### **1.1 2011-2014 Framework**

Ontario's current CDM framework is a key step towards creating a culture of conservation in the Province. The Ontario Government ("Government") Directive to the OEB to establish CDM targets that would be met by electricity distributors recognizes the importance of CDM for both electricity customers and the electricity system. CDM helps customers manage rising energy costs, supports the provincial integrated supply plan, and addresses local distribution and transmission supply constraints. The past framework was intended to enable customers to benefit from a suite of both Board-approved and IESO province-wide programs and provide a portfolio that would meet both broad and specific customer needs.

The state of Board-approved programs and the current suite of province-wide IESO programs have limited CDM offerings to customers. This has produced limited savings and has restricted the associated opportunity for LDCs to meet their targets. The process to introduce changes to current program initiatives or to pilot new initiatives has been challenging, involving considerable cost and effort, which has resulted in limited benefits to customers and CDM savings.

Challenges faced by LDCs in the 2011-2014 framework, such as overbuilt governance and unnecessarily excessive legal requirements and misalignment of control and risks, have been addressed by the new directive. However, there are still many challenges to overcome and the new CDM framework should address other challenges of the current framework and build on its strengths.

### **1.2 Conservation First Framework**

LDCs are supportive of the Government's renewed commitment for CDM in Ontario. LDCs are committed to working with the Government, IESO, Natural Gas Utilities and other stakeholders to develop programs for the new framework for CDM in the Province.

Long-term commitment for CDM funding and confirmation of the role of LDCs have been provided in the Minister's directive dated March 31, 2014, allowing LDCs to maintain current program infrastructure, including LDC staff and third party contracts as required.

The commitment also provided LDCs the program extensions required for continuity into the Conservation First Framework which was critical for all customers.

## 2 Board-Approved CDM Programs

### 2.1 Board-Approved CDM Programs Introduction

In its Decision and Order dated November 12, 2010 in EB-2010-0215 and EB-2010-0216, the OEB ordered that, to meet its mandatory CDM targets, “Each licensed electricity distributor must, as a condition of its licence, deliver Board-approved CDM programs, IESO-contracted province-wide CDM programs, or a combination of the two”.

At this time, the implementation of TOU pricing is the only Board-approved CDM program that is being offered in Coopérative Hydro Embrun

### 2.2 TOU Pricing

#### 2.2.1 Background

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

In accordance with the Ministry directive dated March 31, 2010 by the Minister of Energy and Infrastructure, the OEB is of the view that any evaluation of savings from TOU pricing should be conducted by the IESO for the Province, and then allocated to distributors. Coopérative Hydro Embrun will report these results upon receipt from the IESO.

In 2013, IESO 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 Networks Inc., Toronto Hydro-Electric System Limited, Hydro Ottawa Limited, Thunder Bay Hydro Electricity Distribution Inc. and Newmarket-Tay Power Distribution Ltd. Preliminary results from these five LDCs were issued to the five LDCs involved in the study in August 2013 and are now publically available on the IESO 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 were issued to the eight LDCs in September 2014. The IESO advised that the TOU study was completed in the summer of 2015 and final verified savings will be available for LDCs to include in the 2014 Annual Report. The IESO has now completed the TOU study and the final verified savings are shown in Coopérative Hydro Embrun’s 2014 Annual Report.

#### 2.2.2 TOU PROGRAM DESCRIPTION

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

**Initiative Frequency:** Year-round

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



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

The RPP TOU price is adjusted twice annually by the OEB. A summary of the RPP TOU pricing is provided **Error! Reference source not found..**

**Table 1: RPP TOU Pricing Summary**

Effective Date	Prices (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
November 1, 2014	14.0	11.4	7.7

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

### 2.2.3 TOU Initiative Activities/Progress

Coopérative Hydro Embrun began transitioning its RPP customers to TOU billing in 2011 and by February 1, 2012 all eligible customers were on TOU billing. At December 31<sup>st</sup>, 2014, 1912 RPP customers were on TOU billing.

## 2.3 Coopérative Hydro Embrun’s Application with the OEB

Coopérative Hydro Embrun did not submit a CDM program application to the OEB in 2014.

## 2.4 Coopérative Hydro Embrun’s Application with the IESO’s Conservation Fund

In 2013, the IESO introduced the Conservation Fund’s Program Innovation stream to help meet Coopérative Hydro Embrun’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 IESO portfolio and the means to test concepts for future local or province wide programs post 2014. As per the IESO, as of March

2014, three pilots 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.

Coopérative Hydro Embrun did not submit a CDM program application to the IESO's Conservation Fund in 2014.

### 3 IESO-Contracted Province-Wide CDM Programs

In 2011 – 2014, Coopérative Hydro Embrun contracted with the IESO to deliver a portfolio of IESO-contracted province-wide CDM programs (“IESO Programs”) to customer segments including residential, commercial, institutional, and low income. Most of these programs were rolled-out by the IESO 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 2014, Coopérative Hydro Embrun opted to offer the Province-Wide CDM Programs that best matched the requirements of our customer base. Coopérative Hydro Embrun employed a variety of marketing and program outreach campaigns to promote the various initiatives. Door to door promotion, education through public meetings, website promotions and one-on-one customer engagement were the primary marketing and advertising campaigns that were launched in 2012. The focus for 2014 was on the Direct Install Program, residential coupons, residential demand response *peaksaver PLUS*, and HVAC incentives.

#### 3.1 Introduction

Effective February 1, 2011, Coopérative Hydro Embrun entered into an agreement with the IESO to deliver CDM programs extending from January 1, 2011 to December 31, 2014. The programs included under this agreement are listed in Table 2 below. Further program details are included in Appendix A. In addition, results include projects started pre 2011 which were completed in or after 2011:

**Table 2: IESO-Contracted Province-Wide CDM Program Initiatives**

Initiative	Schedule	Date schedule posted	Coopérative Hydro Embrun in Market Date
<b>Residential Programs</b>			
Appliance Retirement	Schedule B-1, Exhibit D	Jan 26, 2011	February 1, 2011
Appliance Exchange	Schedule B-1, Exhibit E	Jan 26, 2011	February 1, 2011
HVAC Incentives	Schedule B-1, Exhibit B	Jan 26, 2011	February 1, 2011
Conservation Instant Coupon Booklet	Schedule B-1, Exhibit A	Jan 26, 2011	February 1, 2011
Bi-Annual Retailer Event	Schedule B-1, Exhibit C	Jan 26, 2011	February 1, 2011
<del>Retailer Co-op</del>	n/a	n/a	
Residential Demand Response	Schedule B-3	Aug 22, 2011	January 1, 2013
New Construction Program	Schedule B-2	Jan 26, 2011	February 1, 2011
Home Assistance Program	Schedule E-1	May 9, 2011	June 1, 2011
<b>Commercial &amp; Institutional Programs</b>			
Efficiency: Equipment Replacement	Schedule C-2	Jan 26, 2011	February 1, 2011
Direct Install Lighting	Schedule C-3	Jan 26, 2011	February 1, 2011
<del>Existing Building Commissioning Incentive</del>	<del>Schedule C-6</del>	<del>Feb 2011</del>	

New Construction and Major Renovation Initiative	Schedule C-4	Feb 2011	February 1, 2011
Energy Audit	Schedule C-1	Jan 26, 2011	February 1, 2011
Commercial Demand Response	Schedule B-3	Jan 26, 2011	February 1, 2011
<b>Industrial Programs</b>			
Process & System Upgrades	Schedule D-1	May 31, 2011	
Monitoring & Targeting	Schedule D-2	May 31, 2011	
Energy Manager	Schedule D-3	May 31, 2011	
Key Account Manager ("KAM")	Schedule D-4	May 31, 2011	
Demand Response 3	Schedule D-6	May 31, 2011	

In addition, results were realized towards Coopérative Hydro Embrun's 2011-2014 targets through the following pre-2011 programs:

- Electricity Retrofit Incentive Program
- High Performance New Construction
- Toronto Comprehensive
- Multifamily Energy Efficiency Rebates
- Data Centre Incentive Program
- EnWin Green Suites

As per the table below, several program initiatives are no longer available to customer or have not been launched in Table 3.

**Table 3: Pre-2011 IESO Programs**

Not in Market	Objective	Status
<b>Residential Program</b>		
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.
<b>Commercial &amp; Institutional Program</b>		
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.
Demand Response 1 ("DR1")	This initiative allows distribution customers to voluntarily reduce electricity demand during certain periods of the year pursuant to the DR 1 contract. The initiative provides DR payment for service for the actual electricity reduction provided during a demand response event.	No customer uptake for this initiative. As a result this Initiative was removed from the Schedule in Q4, 2012.
<b>Industrial Program</b>		
DR1	As above	No customer uptake for this initiative. Removed in Q4, 2012.

The Master CDM Program Agreement between LDC and the IESO includes a program change management provision in Article 3. Collaboration between the IESO and LDC commenced in 2011, and continued in 2012, 2013 and 2014, as the change management process was implemented to enhance the saveONenergy program suite. The change management process allows for modifications to the Master CDM Program Agreement and initiative Schedules. The program enhancements give LDCs additional tools and greater flexibility to deliver programs in a way that meets the needs of customers and further drives participation in the Initiatives.

## 3.2 Program Descriptions

Full descriptions of IESO-contracted province-wide CDM programs are available on the IESO's intranet LDC and additional initiative information can be found on the saveONenergy website at <https://saveonenergy.ca>. The targeted customer types, objectives, and individual descriptions for each program initiative are detailed in Appendix A. Discussion of LDC's experience with these programs is provided below.

### 3.2.1 RESIDENTIAL PROGRAM

**Description:** Provides residential customers with programs and tools to help them understand and manage the amount of energy they use in their 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 Light Emitting Diode ("LED") technology into the bi-annual retailer events in 2012 and the annual coupons in 2013, as well as LDC custom coded coupons, has had a positive effect on consumer engagement and provided LDC with opportunities to achieve additional savings in their service territory. The Residential Demand Response program is the main residential initiative which drives savings for LDCs and has been well received by consumers eager to utilize an In-Home Display ("IHD") to help manage their energy consumption. Unfortunately, there were no savings associated with the Energy Display attributed to LDCs in the IESO's verified results to date. LDCs are anxiously waiting to see what results will be attributed in the 2014 verified results.

The Heating and Cooling incentives program continues to be one of the strongest performer in the residential suite of programs. This program is mainly driven by contractors participating in the program but they may not always deliver results in the required manner (e.g. allowing customers to apply for their own incentives and tardy reporting).

The Residential Program Portfolio is predominately a carryover of initiatives from previous programs. Three new initiatives were never 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. Province-wide advertising has provided value in all residential programs except for *peaksaver PLUS*<sup>®</sup> due to technological inconsistency across LDCs.

Work to revitalize and increase the effectiveness and breadth of the initiatives through the residential program needs to be a high priority. There are opportunities within the residential marketplace that need to be addressed, program developed and offered to customers. The Version 5 schedules changes under the Master Agreement implemented in Q1/Q2 2014 have increased the number of LDC-coded coupons available and made new installations of central heating and cooling systems eligible for the Heating and Cooling Incentive.

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

**Initiative Activities/Progress:**

- Promoted the initiative through newspaper ads.
- Advertised the initiative through the Coopérative Hydro Embrun Website and bill inserts.
- There was no take-up by Coopérative Hydro Embrun consumers in 2014.

**Additional Comments:**

- Due to the duration of the program, and the revised appliance eligibility requirements to a minimum age of 20 years old, this initiative appears to have reached market saturation and has been under consideration for removal from the portfolio.
- As IESO results are very responsive to province-wide advertising, IESO provincial marketing should continue to play a key role.
- Better relationships with retailers may play a role in increasing participation in this initiative. Retailers 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, prior to the conclusion of this program by December 31, 2014.
- Due to the announcement by the IESO that the Appliance Retirement program was going to cease at the end of 2014, many LDCs lowered (or removed) their marketing support for the program.

**3.2.1.2 Appliance Exchange Initiative (Exhibit E)****Initiative Activities/Progress:**

- The participation uptake was 1 unit for this initiative in 2014, as there were no local retailers participating in this 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 IESO 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
- This initiative, eligible measures and incentive amounts are influenced by the retail partner with very limited involvement from the LDCs. The restrictive, limited and sometimes non-participation of local stores can diminish the savings potential for this initiative.
- To date there has only been one retailer participant in the Appliance Exchange Initiative.

- Evaluation, Measurement, and Verification (“EM&V”) results indicated that the value of savings for retired room air conditioners (“AC”) has dropped resulting in the retail participant not accepting window ACs during the Spring 2013 event.
- 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 the IESO’s contractor for appliance removal.
- The initiative appears to require more promotion from retailers and LDCs.

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

#### **Initiative Activities/Progress:**

- Coopérative Hydro Embrun promoted the program to local area contractors and through the Coopérative Hydro Embrun website and newspaper ads.
- There were 46 applications completed in Coopérative Hydro Embrun’s service area in 2014 which was up from 2013.
- Coopérative Hydro Embrun assisted contractors with registration and educated them on available customer incentives for HVAC products.

#### **Additional Comments:**

- Incentive levels appear to be insufficient to prompt participants to upgrade HVAC equipment prior to end of useful life. An Air Miles incentive was introduced in 2013 to try and encourage early replacement.
- This initiative is contractor driven with LDCs responsible for marketing efforts to customers. More engagement with the HVAC contractor channel should be undertaken to drive a higher proportion of furnace and central air conditioner sales to eligible units.
- There are cases where non-participating contractors are offering their own incentives (by discounting their installations to match the value of the IESO incentive) to make the sale. As this occurs outside of the initiative, savings are not credited to LDCs. IESO should consider this in future program impact evaluation studies.
- Changes to the schedules in 2014 to allow for incentives for new installations, rather than strictly replacement units, may prove to be effective in providing greater results, increasing provincial participation by 20% over 2013.

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



**Initiative Activities/Progress:**

- Promoted the instant coupon booklet through Coopérative Hydro Embrun’s website and newspaper ads.
- The number of coupons used in 2014 was 510 which was up considerably from 2013.

**Additional Comments:**

- The timeframe for retailer submission of redeemed coupons vary from retailer to retailer, and in some cases has been lengthy. The delays and incomplete results reporting limits the ability to react and respond to initiative performance or changes in consumer behaviour.
- 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.
- All coupons have been provided with LDC custom coding in 2014 which allows LDCs to promote coupons based on local preferences. However, LDCs were not provided with customer coded coupon results until early 2015 and thus, had no indication of their redemption rates.
- 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 is 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.

**3.2.1.5 Bi-Annual Retailer Event Initiative (Exhibit C)****Initiative Activities/Progress:**

- Promoted in-store coupon events through the Coopérative Hydro Embrun website.
- This initiative was very successful for Coopérative Hydro Embrun in 2014 with 2,384 coupons being used. This is more than 5 times the take-up in 2013.

**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 resources.
- The product list has had minimal changes over the past four years.

- Limited engagement of local retailers can restrict the savings potential for this initiative.
- Program evolution, including new products and review of incentive pricing for the coupon initiatives, must be a regular activity to ensure continued consumer interest.
- The product list could be distinctive from the Conservation Instant Coupon Initiative in order to gain more consumer interest and uptake.
- A review conducted by the EDA Residential Working Group in 2011 identified three areas of need for initiative evolution: 1) introduction of product focused marketing; 2) enhanced product selection; and 3) improved training for retailers as retail staffs 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.

#### **3.2.1.6      *Retailer Co-op***

##### **Initiative Activities/Progress:**

- Coopérative Hydro Embrun was not participating in this initiative

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

##### **Initiative Activities/Progress:**

- Coopérative Hydro Embrun did not have any applications for the New Home Construction Initiative in 2014. The service area does not have a much growth in terms of new home construction.

##### **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 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 continuing to under-achieve.
- Administrative requirements, particularly with individual home modeling, must align with perceived stakeholder payback.

- 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.

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

#### **Initiative Activities/Progress:**

- Coopérative Hydro Embrun launched the *peaksaver PLUS* program in 2013. In 2014 Coopérative Hydro Embrun had only 98 devices installed and 33 In-Home-Displays. The participation level was well below expectations.
- Coopérative Hydro Embrun advertised peaksaver PLUS through bill inserts, newspaper ads and Coopérative Hydro Embrun website.

#### **Additional Comments:**

- Energy and demand savings have not been reported for the IHD portion of the program as 2013 EM&V results have determined zero savings associated with the IHD. IESO conducted another study in 2014, expanding its study territory beyond those included in the 2013 study to provincial rather than regional results. Results from the second study have not yet been announced.
- The variable funding associated with installing a load controllable thermostat is not sufficient unless it is combined with an IHD. This might not be possible at all times or when IHD is optional.
- Smart meters installed by most LDCs do not have the capability to communicate directly to an IHD and any mass replacement of newly installed meters with communicating abilities is not fiscally responsible. When proposing technical initiatives that rely on existing LDC infrastructure or technology there should be an extensive consultative process in order to prevent this type of problem in the future.
- 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.
- Given the different LDCs' smart meter environments and needs, each LDC is positioning the initiative with subtle differences. As such, greater program flexibility is required to address unique LDC needs

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

**Description:** Provides commercial, institutional, agricultural and industrial organizations with energy-efficiency programs to help reduce their electrical costs while helping Ontario defer the need to build new generation and reduce its environmental footprint. Programs to help fund energy audits, replace energy-wasting equipment or pursue new construction that exceeds 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 2014 the Commercial and Institutional (“C&I”) Working Group continued its efforts to enhance the existing C&I programs and rectify identified program and system deficiencies. This has proven to be a challenging undertaking, normally taking months to complete sometimes relatively minor changes due to the current CDM framework. Overbuilt governance, numerous initiative requirements, complex program structure and lengthy change management have restricted growth without providing the anticipated improved measurement and verification results. In addition, Evaluation, Measurement and Verification (EM&V) has not yet achieved transparency. LDCs are held accountable for these results yet are mostly completely removed from the process.

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

Despite these challenges the C&I Working Group, working in cooperation with the IESO, 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 a mean to accelerate certain program changes. The benefits of expedited change management process were seen in 2013 and carried over into 2014.

Looking ahead there is an opportunity to make valuable changes to the current program suite for the Conservation First Framework, but LDCs and the IESO should look beyond the current initiatives and work to launch new programs, built on the strengths of the 2011-2014 programs, which will meet the needs of the industry and consumers.

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

**Initiative Activities/Progress:**

- Coopérative Hydro Embrun focused on one-on-one promotion to commercial customers (only 11 customers available in our service area).
- Offered individual education sessions on eligibility requirements and incentive options to customers and contractors.
- Coopérative Hydro Embrun had no ERII applications in 2014.

- Coopérative Hydro Embrun presented to the Township of Russell on the conversion to LED street lights.
- Coopérative Hydro Embrun advertised through newspaper articles and outbound call campaigns.
- Offered individual education sessions on eligibility requirements and incentive options to customers and contractors.

**Additional Comments:**

- A large proportion of LDC savings are attributed to ERIL.
- Capability building programs from industrial programs have had very positive contributions to ERIL program.
- A number of customer-facing issues in iCon (the IESO's centralized application system) have been resolved; however, key LDC administrative back office processing issues continue to be a challenge. For example, currently LDCs are unable to record back office information to complete review and approval process using iCon.
- 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 ("KAMs"), channel partner/contractor training and LDC staff acting as customer application representatives. Although this has been an effective method of overcoming these issues and encouraging submissions, it also reflects on the complexity and time consuming nature of the application process. As such, applicant representatives continue to influence the majority of applications submitted. Continued development of channel partners is essential to program success.
- Lighting is still the most popular measure. Other market sectors are not as engaged yet, specifically the mechanical sector. There continues to be significant barriers to program participation from HVAC (Unitary AC) and compressed air channel partners
- Prescriptive and engineered worksheets provide a much needed simplified application process for customers. However, the eligible measures need to be updated and expanded in both technology and incentive amounts to address changing product costs and evolution of the marketplace.
- A focus on demand incentives has limited some energy project opportunities. In particular, night lighting projects have significant savings potential for customers but tend to have incentives of 10% or less of project cost.
- 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 which can be extremely onerous, often requiring a dedicated resource.

- Streamlining of the settlements systems resulted in significant improvement in the payment process in 2013.
- IESO implemented a cut-off date of July 31, 2014 for approval of 2014 social housing adder (SHA) under ERII program. IESO had instructed that any SHA applications that will be submitted to IESO after July 31, 2014 will not be honored for SHA, however, they failed to mention that it is the timeline to submit the funding request to the IESO by the LDCs and not the submission date of the applications to IESO's iCON system by the Applicant (Customer). As a result there were some confusions and some of the applications that were submitted to IESO's iCON by July 31, 2014 but LDCs submitted the funding request to IESO at a later date (once LDCs have completed review of the applications) were not honored for SHA. Additionally, the formal letter confirming that the SHA annual allocation has been exceeded was received by conservation officers on July 15, 2014 leaving them only 15 days to inform the customers and this created a negative customer experience.
- Introduction of several new prescriptive measure worksheets including Plug Loads and Refrigeration were introduced in September 2014 allowed for new opportunities, albeit late in the framework.
- The Ministerial Directive provides continuity of the conservation programs for the participant, with clear direction on LDC administrative funding for 2015, which helps to avoid a gap in program delivery.
- 

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

#### **Initiative Activities/Progress:**

- Coopération Hydro Embrun focused on Direct Lighting in 2012 and 2013, and therefore in 2014 Coopération Hydro Embrun completed only 16 installs.
- Advertised through posters, call campaign followed up with a site visit, and newspaper articles.
- Offered individual education session on eligibility requirements and incentive options to customers and contractors.
- Provided customers with the OPA's initiative brochures (English only).

#### **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.
- Successful execution of the previous version of this initiative has resulted in reduced potential for the 2011-2014 initiative in some LDC's territories.
- 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 measures 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.

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

#### **Initiative Activities/Progress:**

- Coopérative Hydro Embrun was not participating in this initiative

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

#### **Initiative Activities/Progress:**

- Coopérative Hydro Embrun’s service area has limited commercial growth. This initiative would only be promoted when there are new commercial customers in our service area. There were no new commercial customers in our service area.

#### **Additional Comments**

- With the Ministerial Directive issued December 21, 2012, facilities with a completion date near the end of 2014 with some confidence that they will be compensated for choosing efficiency measures.
- Participants have until the end of 2014 to submit their applications for the projects that will be completed in 2015. However savings achieved will be accounted for in the new framework (2015 - 2020).
- 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.
- 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.

### **3.2.2.5 Energy Audit Initiative**

#### **Initiative Activities/Progress:**

- Coopérative Hydro Embrun did not have any applications for energy audits in 2013.

### **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.
- LDCs are receiving some savings towards their targets from an audit which is mainly attributable to operational savings.
- 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 IESO may be beneficial.
- Participants are limited to one energy audit which restricts 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 a neutral third party regarding the appropriate lighting solution for their facility instead of what a local supplier would like 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 a potential barrier to participation

### **3.2.3 INDUSTRIAL PROGRAM**

Coopérative Hydro Embrun did not register to participate in the Industrial Programs. Coopérative Hydro Embrun has no eligible customers for Industrial Programs.

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

#### **Initiative Activities/Progress:**

- In 2013 Coopérative Hydro Embrun put a major focus on the Home Assistance Program. Coopérative Hydro Embrun did not start marketing the HAP until July 2013 and completed 48 applications in 2013.
- In 2014 Coopérative Hydro Embrun had no applications in the Home Assistance Program.
- Coopérative Hydro Embrun used Greensaver to deliver this program.
- The program was advertised through posters, call campaign, and e-blasts.



- Coopérative Hydro Embrun did a presentation of the program to the local and regional governments and also the local manager and board of the low income housing complex in their service area.

**Additional Comments:**

- The process for enrolling in social housing was complicated and time consuming. This was addressed in late 2012 and showed benefits since 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 IESO contracted centralized delivery agent.

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

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

## 4. 2014 Coopérative Hydro Embrun CDM Results

### 4.1 Participation and Savings

Table 1: Cooperative Hydro Embrun Inc. Initiative and Program Level Net Savings by Year

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	2011-2014 Net Cumulative Energy Savings (kWh)	
<b>Consumer Program</b>																
Appliance Retirement	Appliances	31	6	2	0	2	0	0	0	12,946	2,564	885	3	2	61,149	
Appliance Exchange	Appliances	1	0	2	1	0	0	0	0	66	48	739	369	1	2,218	
HVAC Incentives	Equipment	14	22	32	46	6	6	7	10	10,853	11,391	12,921	18,157	28	121,584	
Conservation Instant Coupon Booklet	Items	282	15	172	510	1	0	0	1	9,926	691	3,809	13,916	2	63,310	
Bi-Annual Retailer Event	Items	471	524	467	2,384	1	1	1	4	14,524	13,236	8,491	60,740	6	175,524	
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Residential Demand Response	Devices	64	0	70	98	36	0	38	53	93	0	123	0	53	215	
Residential Demand Response (IHD)	Devices	0	0	7	33	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	0	0	0	
<b>Consumer Program Total</b>						<b>45</b>	<b>7</b>	<b>46</b>	<b>66</b>	<b>48,408</b>	<b>27,930</b>	<b>26,966</b>	<b>93,186</b>	<b>92</b>	<b>424,000</b>	
<b>Business Program</b>																
Retrofit	Projects	1	0	1	0	5	0	2	0	20,655	0	7,736	0	7	98,093	
Direct Install Lighting	Projects	0	64	36	16	0	48	40	14	0	198,528	155,883	50,136	102	952,742	
Building Commissioning	Buildings	0	0	0	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	0	0	0	
Energy Audit	Audits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Small Commercial Demand Response	Devices	4	0	3	3	3	0	2	3	9	0	3	0	3	12	
Small Commercial Demand Response (IHD)	Devices	0	0	0	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	0	0	0	
<b>Business Program Total</b>						<b>7</b>	<b>48</b>	<b>44</b>	<b>16</b>	<b>20,665</b>	<b>198,528</b>	<b>163,422</b>	<b>50,136</b>	<b>111</b>	<b>1,090,847</b>	
<b>Industrial Program</b>																
Process & System Upgrades	Projects	0	0	0	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	0	0	0	
Energy Manager	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Retrofit	Projects	0	0	0	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	0	0	0	
<b>Industrial Program Total</b>						<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Home Assistance Program</b>																
Home Assistance Program	Homes	0	0	48	0	0	0	3	0	0	0	30,093	0	3	59,689	
<b>Home Assistance Program Total</b>						<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,093</b>	<b>0</b>	<b>3</b>	<b>59,689</b>	
<b>Aboriginal Programs</b>																
Home Assistance Program	Homes	0	0	0	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	0	0	0	
<b>Aboriginal Program Total</b>						<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Pre-2011 Programs completed in 2011</b>																
Electricity Retrofit Incentive Program	Projects	1	0	0	0	0	0	0	0	1,838	0	0	0	0	7,352	
High Performance New Construction	Projects	0	0	0	0	0	0	0	0	40	54	0	0	0	323	
Toronto Comprehensive	Projects	0	0	0	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	0	0	0	
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Pre-2011 Programs completed in 2011 Total</b>						<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,878</b>	<b>54</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,675</b>	
<b>Other</b>																
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	14	0	0	0	0	14	0	
LDC Pilots	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Other Total</b>						<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>0</b>	
<b>Adjustments to 2011 Verified Results</b>							<b>-2</b>	<b>0</b>	<b>0</b>		<b>-2,191</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>-6,764</b>	
<b>Adjustments to 2012 Verified Results</b>							<b>0</b>	<b>0</b>	<b>0</b>		<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12</b>	
<b>Adjustments to 2013 Verified Results</b>							<b>0</b>	<b>0</b>	<b>1</b>		<b>0</b>	<b>1,033</b>	<b>0</b>	<b>1</b>	<b>2,066</b>	
<b>Energy Efficiency Total</b>						<b>14</b>	<b>56</b>	<b>54</b>	<b>43</b>	<b>70,849</b>	<b>226,512</b>	<b>220,356</b>	<b>143,322</b>	<b>165</b>	<b>1,541,982</b>	
<b>Demand Response Total (Scenario 1)</b>						<b>38</b>	<b>0</b>	<b>40</b>	<b>55</b>	<b>102</b>	<b>0</b>	<b>126</b>	<b>0</b>	<b>55</b>	<b>228</b>	
<b>Adjustments to Previous Years' Verified Results Total</b>						<b>0</b>	<b>-2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>-2,191</b>	<b>4</b>	<b>1,033</b>	<b>-1</b>	<b>-6,685</b>	
<b>OPA-Contracted LDC Portfolio Total (inc. Adjustments)</b>						<b>52</b>	<b>54</b>	<b>93</b>	<b>99</b>	<b>70,951</b>	<b>224,321</b>	<b>220,485</b>	<b>144,355</b>	<b>219</b>	<b>1,535,525</b>	
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).													Full OEB Target:		<b>340</b>	<b>1,120,000</b>
*Includes adjustments after Final Reports were issued													% of Full OEB Target Achieved to Date (Scenario 1):		<b>64.4%</b>	<b>137.1%</b>
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year																

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)			
		2011*	2012*	2013*	2014
<b>Consumer Program</b>					
Appliance Retirement	Appliances	31	6	2	0
Appliance Exchange	Appliances	1	0	2	1
HVAC Incentives	Equipment	14	22	32	46
Conservation Instant Coupon Booklet	Items	282	15	172	510
Bi-Annual Retailer Event	Items	471	524	467	2,384
Retailer Co-op	Items	0	0	0	0
Residential Demand Response	Devices	64	0	70	98
Residential Demand Response (IHD)	Devices	0	0	7	33
Residential New Construction	Homes	0	0	0	0
<b>Consumer Program Total</b>					
<b>Business Program</b>					
Retrofit	Projects	1	0	1	0
Direct Install Lighting	Projects	0	64	38	16
Building Commissioning	Buildings	0	0	0	0
New Construction	Buildings	0	0	0	0
Energy Audit	Audits	0	0	0	0
Small Commercial Demand Response	Devices	4	0	3	3
Small Commercial Demand Response (IHD)	Devices	0	0	0	0
Demand Response 3	Facilities	0	0	0	0
<b>Business Program Total</b>					
<b>Industrial Program</b>					
Process & System Upgrades	Projects	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0
Energy Manager	Projects	0	0	0	0
Retrofit	Projects	0	0	0	0
Demand Response 3	Facilities	0	0	0	0
<b>Industrial Program Total</b>					
<b>Home Assistance Program</b>					
Home Assistance Program	Homes	0	0	48	0
<b>Home Assistance Program Total</b>					
<b>Aboriginal Program</b>					
Home Assistance Program	Homes	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0
<b>Aboriginal Program Total</b>					
<b>Pre-2011 Programs completed in 2011</b>					
Electricity Retrofit Incentive Program	Projects	1	0	0	0
High Performance New Construction	Projects	0	0	0	0
Toronto Comprehensive	Projects	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0
<b>Pre-2011 Programs completed in 2011 Total</b>					
<b>Other</b>					
Program Enabled Savings	Projects	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	n/a
LDC Pilots	Projects	0	0	0	0
<b>Other Total</b>					

Table 3: Cooperative Hydro Embrun Inc. Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
<b>Consumer Program</b>																
Appliance Retirement	1.00	1.00	n/a	n/a	0.51	0.48	0.42	n/a	1.00	1.00	n/a	n/a	0.52	0.48	0.44	n/a
Appliance Exchange	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51	1.00	1.00	n/a	1.00	0.59	0.48	0.48	0.51
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.15	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.13	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.13	0.91	1.04	1.74	1.00	1.00	1.00	1.00	1.10	0.92	1.04	1.75
Retailer Co-op	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Business Program</b>																
Retrofit	1.11	n/a	0.56	n/a	0.64	n/a	0.64	n/a	0.88	n/a	0.67	n/a	0.65	n/a	0.65	n/a
Direct Install Lighting	n/a	0.68	0.81	0.78	n/a	0.94	0.94	0.94	n/a	0.85	0.84	0.83	n/a	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Audit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Industrial Program</b>																
Process & System Upgrades	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Monitoring & Targeting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Manager	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Retrofit																
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Home Assistance Program</b>																
Home Assistance Program	n/a	n/a	1.07	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.92	n/a	n/a	n/a	1.00	n/a
<b>Aboriginal Program</b>																
Home Assistance Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Pre-2011 Programs completed in 2011</b>																
Electricity Retrofit Incentive Program	0.77	n/a	n/a	n/a	0.52	n/a	n/a	n/a	0.77	n/a	n/a	n/a	0.52	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50
Toronto Comprehensive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Other</b>																
Program Enabled Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

**Table 4: Summarized 2014 Program Results**

Program	Gross Savings		Net Savings		Contribution to Targets	
	Incremental Peak Demand Savings (MW)	Incremental Energy Savings (GWh)	Incremental Peak Demand Savings (MW)	Incremental Energy Savings (GWh)	Program-to-Date: Net Annual Peak Demand Savings (MW) in 2014	Program-to-Date: 2011-2014 Net Cumulative Energy Savings (GWh)
Consumer Program Total	.076	.081715	.068	.093186	.092	.424000
Business Program Total	.017	.053118	.016	.050136	.111	1.050847
Industrial Program Total	0	0	0	0	0	0
Home Assistance Program Total	0		0	0	.003	.059689
Pre-2011 Programs completed in 2011 Total			0	0	0	.007675
Other Adjustments to Previous Year's Verified Results	.016	.002189	.015	.001033	.013	-.006685
<b>Total IESO Contracted Province-Wide CDM Programs</b>	<b>.109</b>	<b>.137022</b>	<b>.099</b>	<b>.144355</b>	<b>.219</b>	<b>1.535525</b>

## 4.2 Evaluation, Measurement and Verification (“EM&V”) Findings

The following table provides a summary of the 2014 EM&V findings for the evaluated saveONenergy program initiatives. These key evaluation findings are derived from the 2014 evaluations of the saveONenergy programs and issued by the IESO.

**Table 5: Evaluation Findings**

#	Initiative	IESO Province-Wide Key Evaluation Findings
<b>Consumer Programs</b>		
1	Appliance Retirement	<ul style="list-style-type: none"> <li>• Participation increased slightly to 22,563 (7.7%) in 2014 compared with 20,952 in 2013.</li> <li>• Since 2011 overall Initiative participation has decreased nearly 60%.</li> <li>• The greatest decrease was seen in the number of refrigerators collected year-over-year</li> <li>• Of appliances collected, refrigerators and freezers remain the most dominate measures accounting for 90%. However, window AC units and dehumidifiers saw a marked increase of 29.6% and 27% respectively in 2014.</li> <li>• Net to gross ratio (NTG) increased slightly to 47% compared to 43% as reported for 2013 and 2012 program years.</li> </ul>
2	Appliance Exchange	<ul style="list-style-type: none"> <li>• Participation in 2014 increased by 6.5% to 5,685 appliances from 5,337 compared to 2013</li> <li>• Per-unit savings has increased by 36.6% as ENERGY STAR criteria increases and more participants purchase ENERGY STAR replacements appliances. This resulted in a 6.5% increase in Net Energy &amp; Demand savings.</li> <li>• Net to Gross ratio (NTG) remained unchanged from 2013 at 52.6%</li> </ul>
3	HVAC Incentives	<ul style="list-style-type: none"> <li>• In 2014 net savings increased by 20% from 2013 and overall participation increased by 17% to 113,002 compared to 2013</li> <li>• The ECM measure has remained the dominant source of savings since 2011</li> <li>• Per unit furnace savings increased 12.7% due to a shift in the number of participants who use their furnace fan continuously both before and after the retrofit.</li> <li>• Per unit energy and demand savings assumptions for central air conditioners decreased by 56% due to reduced run hours</li> <li>• Net to Gross ratio (NTG) remained unchanged from 2013 at 48%</li> </ul>

#	Initiative	IESO Province-Wide Key Evaluation Findings
4	Conservation Instant Coupon Booklet	<ul style="list-style-type: none"> <li>• Customers redeemed more than five times as many annual coupons in 2014 as in 2013. In total, approximately 500,000 Annual Coupons were redeemed in 2014 with 110,000 being LDC Coded Coupons.</li> <li>• There was a further reduction in savings for lighting measures from changes in the baseline due to the phase out of 72W and 100W incandescent bulbs.</li> <li>• Despite the significant per unit savings reductions for lighting measure, the Net Annual Savings from Annual Coupons in 2014 was more than six times that in 2013. This is primarily because of higher participation and the inclusion of LED coupons and full year availability of all coupons.</li> <li>• Measured NTG ratios grew significantly in 2014. The NTG ratio is 53% higher in 2014 than in 2013 due to the inclusion of participant spillover, i.e., purchase of additional coupon initiative measures and general energy efficient measures without the use of a coupon but influenced by the coupon program.</li> </ul>
5	Bi-Annual Retailer Event	<ul style="list-style-type: none"> <li>• Over 2.5 million coupons were redeemed in 2014 compared with 2013 redemptions</li> <li>• The Bi-Annual Coupon Event saw a substantial increase in the number of coupons redeemed during the Spring and Fall Events in 2014 compared to 2013. The increase can be linked to a substantial increase in LED purchases with event coupons accounting for 84% of all Bi-Annual Coupons redeemed.</li> <li>• Reductions in per unit savings were overshadowed by the increase in coupon redemptions. Overall savings increased by approximately 85% in 2014 compared with 2013 Demand and Energy Savings.</li> <li>• Similar to the Annual Coupon Event measured NTG ratios rose by 53% compared to 2013 NTG ratios. The rise is due to the inclusion of participant spillover, i.e., purchase of additional coupon initiative and general energy efficient measures without the use of a coupon but influenced by the Bi-Annual Coupon event.</li> </ul>
7	Residential Demand Response	<ul style="list-style-type: none"> <li>• There were an additional 55,000 CAC load control devices enrolled in the program in 2014 relative to 2013, which increased the capacity of the residential segment of the program from 129 MW in 2013 to 143 MW in 2014.</li> <li>• Ex-ante impacts on a per device basis were lower than 2013 average.</li> <li>• There were no energy savings in 2014 because there were no system-wide events were called.</li> <li>• Load impact estimates for the average small and medium business and for electric water heaters among residential customers remain consistent with prior year's analysis</li> <li>• IHD's yielded no statistically significant energy savings</li> </ul>

#	Initiative	IESO Province-Wide Key Evaluation Findings
8	Residential New Construction	<ul style="list-style-type: none"> <li>The most significant growth in the initiative has been participation in the prescriptive track. MW savings in the prescriptive track increased from zero summer peak MW savings in 2011 to 352 summer peak kW savings in 2014.</li> <li>The custom track saw participation for the first time in 2014. One custom project of 55 homes contributed 37 kW demand savings and 0.5 GWh of energy savings.</li> <li>New deemed savings for performance track homes were developed and implemented, resulting more consistent realization rates for 2014.</li> <li>ENERGY STAR New Homes was introduced as an eligible measure within the performance track in 2014. As a result, these ENERGY STAR New Homes provided 1% of peak kW savings and 4% of kWh savings.</li> </ul>
<b>Business Programs</b>		
9	Efficiency: Equipment Replacement	<ul style="list-style-type: none"> <li>The number of prescriptive projects increased slightly (1.2%) in 2014 to a total of 4,812. However, total net verified savings and peak demand savings dropped significantly (19% and 30% respectively). This is due to a 19% drop in per-project net verified savings, which can be attributed to lower track level realization rate and net-to-gross ratio and is related to smaller average project sizes.</li> <li>The quantity of engineered projects increased 22% to a total of 3,906 in 2014, combined with a net verified savings per project increase of 17% the track saw a dramatic 47% increase in net energy savings.</li> <li>Lower demand realization rates across the program as a whole were tied to equipment differences between reported and calculated values. For lighting projects the difference was most often seen in baseline and retrofit lamp wattages and ballast factors. Non-lighting tracks exhibited lower demand realization rates due to the following factors: <ul style="list-style-type: none"> <li>Variations in load profiles where the evaluation team found equipment that operated fewer hours or at a lower capacity than expected from the project documentation.</li> <li>Inconsistencies in equipment nameplate data (typically efficiency or capacity) between project documentation and equipment installed on-site.</li> <li>Weather dependent control systems leading to shifts in how often the equipment operated.</li> </ul> </li> </ul>



#	Initiative	IESO Province-Wide Key Evaluation Findings
10	Direct Install Lighting	<ul style="list-style-type: none"> <li>• 23,784 projects were completed in 2014 (34% increase from 2013)</li> <li>• The category of 'Other' business type projects increased 71% when compared to 2013. Agribusinesses make up 74% of the 'Other' business type category. While growth in the number of projects is good, agribusinesses projects, in particular, have a realization rate of only 58.5%. This is primarily due to the verified annual operating hours being approximately 45% less than the assumed annual operating hours.</li> <li>• In 2014 LED measures provide the most net savings of any other SBL measure making up 59% of net energy savings in 2014. Their long effective useful life and retention of a larger amount of savings after the baseline adjustment allow LED measures to also contribute substantially more lifetime savings than CFLs and linear fluorescents.</li> <li>• Overall energy and demand realization rates decreased by 1.8 and 3.1 %, respectively, from 2013.</li> <li>• Sampled rural projects have lower energy realization rather than urban projects (63.8% compared to 83.5%) across the 2011 – 2014 sample</li> <li>• Sampled rural projects have even lower demand realization rather than urban projects (49.7% compared to 74.1%) across the 2011 – 2014 sample</li> <li>• The annual proportion of net energy savings from rural projects has increased from 30% in 2011 to 41% in 2014</li> </ul>
11	Existing Building Commissioning Incentive	<ul style="list-style-type: none"> <li>• 5 projects completed the Hand-off stage in 2014.</li> <li>• Energy realization rate was estimated at 116% and demand realization rate at 202%.</li> <li>• About 31 participants are still in the scoping stage or implementation stage.</li> </ul>
12	New Construction and Major Renovation Incentive	<ul style="list-style-type: none"> <li>• Savings have increased every year of the initiative with an increased participation of 50% from 2013</li> <li>• In 2014, most savings came from the custom track providing 71% of demand savings.</li> <li>• Participation from HVAC measures occurred for the first time in 2014 (providing 14% of summer peak kW savings and 5% of kWh savings).</li> <li>• The measures with the greatest impact on low realization rates for prescriptive measures were high volume low speed (HVLS) fans and variable frequency drives (VFDs).</li> <li>• Province-wide realization rates declined slightly for 2014, as a result of the wider variety of measures being implemented.</li> <li>• Key drivers for participation are: initial project cost, followed by electricity costs and expected energy savings are the key drivers to participation.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Industrial Programs</b></li> </ul>		

#	Initiative	IESO Province-Wide Key Evaluation Findings
16	Process & System Upgrades	<ul style="list-style-type: none"> <li>• 10 PSUI Capital Incentive projects implemented in 2014, compared to 5 in 2013.</li> <li>• 4 projects are Behind the Meter Generation (BMG) projects.</li> <li>• The remaining projects were energy efficiency improvements in pumping, cooling, compressed air systems and industrial processes.</li> <li>• Each project received its own Net to Gross (NTG) value. NTG ratios ranged from 62% to 100% for the 10 projects</li> <li>• Realization rates remained high in 2014, ranging from 90 to over 100%.</li> <li>• 379 Energy Manager projects were completed in 2014 compared to 306 in 2013</li> <li>• Energy Managers are important drivers of non incented savings projects.</li> <li>• In 2014, the Energy Mangers initiative has contributed to 35% of energy savings for Industrial Programs</li> <li>• 5 projects were completed in 2014, compared to 3 in 2013.</li> <li>• Low realization rates (36% for energy savings and 59% for demand savings) are attributed to reported savings based on total potential savings rather than non-incentivized realized savings, while the verified savings only include non-incentivized savings).</li> </ul>
20	Demand Response 3	<ul style="list-style-type: none"> <li>• The largest 25 contributors account for 60% of the contractual demand reduction – that is, less than 4% of contributors account for the majority of the load reductions.</li> <li>• A multi-year analysis indicates 2012 was the best year for program performance. After 2012, a single large contributor left the program, resulting in a decrease in overall performance in 2013 and 2014. This highlights the risk having a highly concentrated program with a few large contributors representing a large share of the program capacity.</li> <li>• There were no events called in 2014 and the contracted capacity was similar to 2013.</li> </ul>
<b>Home Assistance Program</b>		
21	Home Assistance Program	<ul style="list-style-type: none"> <li>• Participation decreased by 5 % to 25,424 participants compared with 2013 (26,756). The decrease was due to six LDCs not participating in the Home Assistance Program in 2014.</li> <li>• Realization rates for demand doubled in 2014 to 56% compared with 2013 (26%). However, energy realization rates decreased by 10% to 77% compared with 2013 results.</li> <li>• Realization rate for demand savings increased due to the adoption of the new FAST Tool which incorporated updated kW savings for weatherization measures in particular insulation measures.</li> </ul>

### 4.3 Spending

Table 6 and Table 7 summarize the total spending by initiative that Coopérative Hydro Embrun has incurred in 2014 and cumulatively since 2011. It is detailed by the Program Administration Budget (PAB), Participant Based Funding (PBF), Participant Incentives (PI) and Capability Building Funding (CBF).

**Table 6: 2014 Spending**

Initiative	PAB	PBF	PI	CBF	TOTAL
<b>Consumer Program</b>					
Appliance Retirement	522.88				522.88
Appliance Exchange					
HVAC Incentives	522.88				522.88
Conservation Instant Coupon Booklet					
Bi-Annual Retailer Event					
Retailer Co-op					
Residential Demand Response	62,890.78	8,943.17			71,833.95
New Construction Program					
<b>Business Program</b>					
Efficiency: Equipment Replacement	1,346.53				1,346.53
Direct Installed Lighting	7,501.23	21 859.00			29,360.23
Existing Building Commissioning Incentive	4,899.78				4,899.78
New Construction and Major Renovation Initiative	1,346.53				1,346.53
Energy Audit	2,697.05				2,697.05
Small Commercial Demand Response Demand Service Space Cooling – not in Mkt.	758.32				758.32
Demand Response 3 (part of the Industrial program schedule)					
<b>Industrial Program</b>					
Process & System Upgrades					
a) preliminary engineering study					
b) detailed engineering study					
c) program incentive					
Monitoring & Targeting					
Energy Manager					
Key Account Manager					
Efficiency Equipment Replacement Incentive (part of the C&I program schedule)					
Demand Response 3					
<b>Home Assistance Program</b>					
Home Assistance Program	3,446.40	17 211.00			20 657.40
<b>TOTAL SPENDING</b>	<b>85,932.38</b>	<b>48 013.17</b>			<b>133 945.55</b>

**Table 7: Cumulative Spending (2011-2014)**

Initiative	PAB	PBF	PI	CBF	TOTAL
<b>Consumer Program</b>					
Appliance Retirement	3,590.04				3,590.04
Appliance Exchange					
HVAC Incentives	2,527.84				2,527.84
Annual Coupons	7,000.00				7,000.00
Bi-Annual Retailer Event					
Retailer Co-op					
Residential Demand Response	66,209.05	10,543.17	26,880.00		103,632.22
New Construction Program	667.08				667.08
<b>Business Program</b>					
Equipment Replacement	9,843.57		2,360.00		12,203.57
Direct Installed Lighting	22,363.55	49,359.00	120,070.75		191,793.30
Existing Building Commissioning Incentive	4,899.78				4,899.78
New Construction and Major Renovation Initiative	1,346.53				1,346.53
Energy Audit	4,697.05				4,697.05
Small Commercial Demand Response					
Demand Response					
<b>Industrial Program</b>					
Process & System Upgrades					
a) preliminary engineering study					
b) detailed engineering study					
c) program incentive					
Monitoring & Targeting					
Energy Manager					
Key Account Manager ("KAM")					
Equipment Replacement Incentive					
Demand Response 3					
<b>Home Assistance Program</b>					
Home Assistance Program	3,446.40	17,211.00			20,657.40
<b>Pre 2011 Programs</b>					
Electricity Retrofit Incentive Program					
High Performance New Construction					
Toronto Comprehensive					
Multifamily Energy Efficiency Rebates					
Data Centre Incentive Program					
EnWin Green Suites					
<b>Initiatives Not In Market</b>					
Midstream Electronics					
Midstream Pool Equipment					
Demand Service Space Cooling	758.32				758.32
Demand Response 1					
Home Energy Audit Tool					
<b>Total CDM Program Spending</b>	<b>127,349.21</b>	<b>77,113.17</b>	<b>149,310.75</b>		<b>353,773.13</b>

## 5 Combined CDM Reporting Elements

### 5.1 Progress Towards CDM Targets

**Table 8: Net Peak Demand Savings at the End User Level (MW)**

Implementation Period	Annual (MW)			
	2011	2012	2013	2014
2011 – Verified by IESO	0.1	0.0	0.0	0.0
2012 – Verified by IESO		0.1	0.1	0.1
2013 – Verified by IESO			0.1	0.1
2014				0.1
<b>Verified Net Annual Peak Demand Savings in 2014:</b>				<b>0.2</b>
<b>Coopérative Hydro Embrun 2014 Annual CDM Capacity Target:</b>				<b>0.3</b>
<b>Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):</b>				<b>64.7%</b>

**Table 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 IESO	0.1	0.1	0.1	0.1	0.3
2012 – Verified by IESO		0.2	0.2	0.2	0.7
2013 – Verified by IESO			0.2	0.2	0.4
2014				0.1	0.1
<b>Verified Net Cumulative Energy Savings 2011-2014:</b>					<b>1.5</b>
<b>Coopérative Hydro Embrun 2011-2014 Cumulative CDM Energy Target:</b>					<b>1.1</b>
<b>Verified Portion of Cumulative Energy Target Achieved in 2014 (%):</b>					<b>137.1%</b>

### 5.2 Variance from Strategy

Coopérative Hydro Embrun was successful in meeting its energy savings target by the end of 2014. The greatest success came from the Direct Installs initiative in the Business Program. The Instant Coupons and Retailer Events Coupons along with the HVAC Incentives and Appliance Retirement were the most successful in the Consumer Program. The Home Assistance Program was also a contributor in 2013. The very poor uptake in the Residential Demand Response Initiative and the Business Retrofit were the major reasons why the peak demand savings were below target.

Stakeholders in the 2011-2014 CDM Province-Wide Programs realized early on, that the peak demand savings targets were too high for small winter peaking LDCs, but the original targets could not be changed. Despite this, Coopérative Hydro Embrun vigorously pursued trying to reach the peak demand target, but very low business

participation in the Retrofit Initiative, and smaller than expected participation in the Residential Demand Response Initiative made it impossible for Coopérative Hydro Embrun to achieve this target.

Coopérative Hydro Embrun looks forward to working towards the new CDM Framework targets in 2015 and beyond.

Prior to 2011, Coopérative Hydro Embrun had limited participation in the OPA's conservation programs. In 2011 and 2012, Coopérative Hydro Embrun focused on procuring resources, developing internal processes, and determining a marketing strategy. Coopérative Hydro Embrun is one of the smallest utilities in the province with only three full-time employees.

By the end of 2012, we noted significant traction across the Residential and Commercial & Institutional program portfolios due to the ground work that was completed earlier in the year. But in 2014, Coopérative Hydro Embrun only saw reasonable consumer participation in the coupon initiatives and the HVAC Incentive initiative.

We would like to note that Coopérative Hydro Embrun is a winter peaking utility and we feel that the majority of the Province-Wide CDM Programs were designed for summer peaking utilities. It is Coopérative Hydro Embrun's recommendation that the IESO make available specific programs for winter peaking LDCs (e.g. hot water tank programs, electric home heating, etc.).

## 6 Conclusion

Over the course of 2014, Coopérative Hydro Embrun has achieved an incremental 0.099 MW in peak demand savings and 0.144 GWh in energy savings, which represents 29.1% and 12.9% of Coopérative Hydro Embrun 2011 - 2014 targets, respectively.

The overall results achieved in 2011 - 2014 are 0.219 MW in peak demand savings and 1.536 GWh in energy savings, which represents 64.4% and 137.1% of Coopérative Hydro Embrun 2014 target, respectively. These results are representative of a considerable effort expended by Coopérative Hydro Embrun, 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 future CDM programs.

Future reports on Conservation First will be provided by Coopérative Hydro Embrun to the IESO who will report annually to the OEB.

## Appendix A: Initiative Descriptions

### Residential Program

#### APPLIANCE RETIREMENT INITIATIVE (Exhibit D)

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

**Initiative Frequency:** Year round

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

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

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

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

**Additional detail is available:**

- Schedule B-1, Exhibit D. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Consumer/Programs/Appliance-Retirement.aspx>.

**In Market Date:** February 1, 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. Window ACs were discontinued from the program in 2013.

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

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

Additional detail is available:

- Schedule B-1, Exhibit C. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Consumer.aspx>.



**In Market Date:** February 1, 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:** IESO contracts centrally for delivery of the program. LDCs provide local marketing and encourage local contractors to participate in the initiative.

Additional detail is available:

- Schedule B-1, Exhibit B. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Consumer.aspx>.

**In Market Date:** February 1, 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](http://www.saveoneenergy.ca).

**Targeted End Uses:** ENERGY STAR® qualified Standard Compact Fluorescent Lights ("CFLs"), ENERGY STAR® qualified Light Fixtures lighting control products, weather-stripping, hot water pipe wrap, electric water heater blanket, heavy duty plug-in Timers, Advanced power bars, clothesline, baseboard programmable thermostats.

**Delivery:** The IESO 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 IESO enters into agreements with retailers to honour the coupons.

Additional detail is available:

- Schedule B-1, Exhibit A. Available on IESO's extranet;

- saveONenergy website <https://saveonenergy.ca/Consumer.aspx>.

**In Market Date:** February 1, 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 IESO enters into arrangements with participating retailers to promote the discounted products, and to post and honour related coupons. LDCs also refer retailers to the IESO and market this initiative locally.

Additional detail is available:

- Schedule B-1, Exhibit C. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Consumer.aspx>.

**In Market Date:** February 1, 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 IESO for co-op funding to run special promotions that promote energy efficiency to customers in their stores. LDCs can refer retailers to the IESO. The IESO 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:** February 1, 2011

#### 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 IESO air coverage driving builders to their LDC for additional information.

Additional detail is available:

- Schedule B-1, Exhibit C. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Consumer.aspx>.

**In Market Date:** February 1, 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

Additional detail is available:

- Schedule B-1, Exhibit C. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Consumer.aspx>.

**In Market Date:** January 1, 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.

Additional detail is available:

- Schedule C-2. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Business/Program-Overviews/Retrofit-for-Commercial.aspx>.

**In Market Date:** February 1, 2011

### **Lessons Learned:**

### **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 \$1,500 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 \$1,500 at no cost to qualifying small businesses. In addition, standard prescriptive incentives are available for eligible equipment beyond the initial \$1,500 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.

Additional detail is available:

- Schedule C-3. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Business.aspx>.

**In Market Date:** February 1, 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.

Additional detail is available:

- Schedule C-6. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Business/Program-Overviews/Existing-Building-Commissioning.aspx>.

**In Market Date:** February 1, 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.

Additional detail is available:

- Schedule C-4. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Business/Program-Overviews/New-Construction.aspx>.

**In Market Date:** February 1, 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.

Additional detail is available:

- Schedule C-1. Available on IESO's extranet;
- saveONenergy website <https://saveonenergy.ca/Business/Program-Overviews/Audit-Funding.aspx>.

**In Market Date:** February 1, 2011

## Industrial Program

No participation by Coopérative Hydro Embrun

## Low Income Initiative (Home Assistance Program) (Schedule E-1)

**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., CFL bulbs)

**Delivery:** LDC delivered.

Additional detail is available:

- Schedule E. Available on IESO's extranet.

**In Market Date:** June 1, 2011

## **Appendix B: Pre-2011 Programs**

Coopérative Hydro Embrun had only one Retrofit project in the pre-2011 programs.