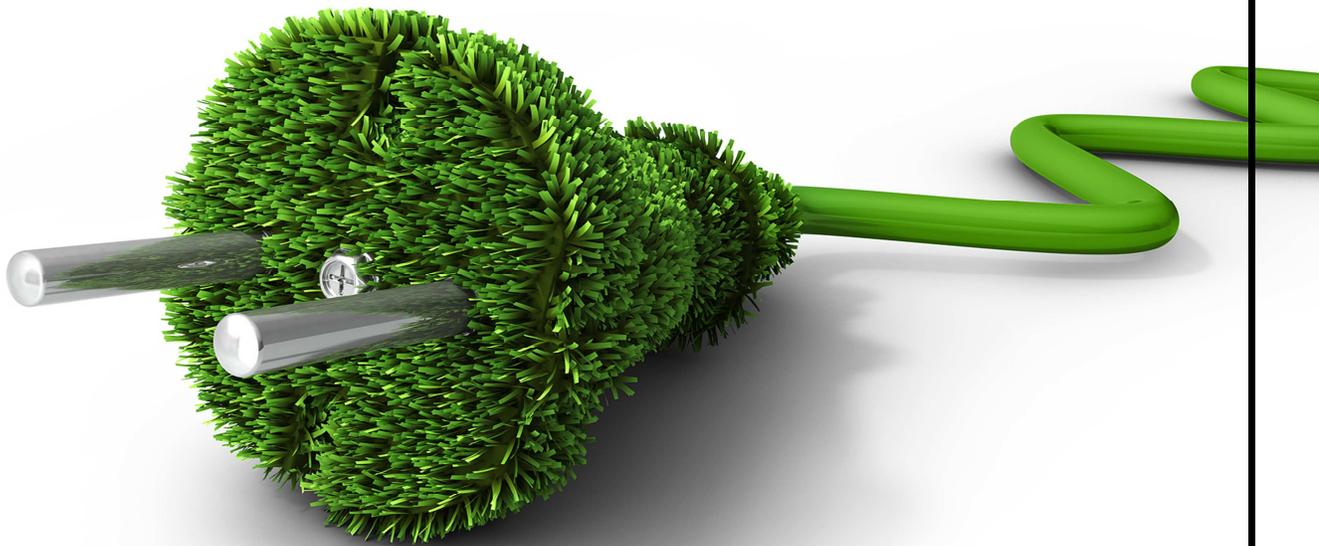




Conservation & Demand Management
Addendum to Strategic Plan: 2011-2014
Essex Powerlines Corporation
Essex, ON



Prepared By: Kristopher Taylor

06/13/2011

Background

On November 1st, 2010, Essex Powerlines Corporation (“EPLC”) filed its 2011-2014 Conservation & Demand Management (“CDM”) strategy with the Ontario Energy Board (“OEB”). This strategic document outlined EPLC’s conservation targets, program offerings and high level budget allocations.

On November 29th, 2010, the OEB directed EPLC to submit an addendum to its CDM strategy further detailing funding allocation and information. This information was to detail all associated funding and not solely the Program Administration Budget (“PAB”).

2011-2014 CDM Target Revisions

In EPLC’s original CDM strategy, an electricity demand target of 7.84 MW and an electricity consumption target of 23,868.89 MWh was targeted. These targets have since been revised to 7.190 MW and 21,540 MWh respectively. This target is expected to be achieved primarily through Ontario Power Authority (“OPA”) contracted programs however EPLC will closely monitor achievements and will quickly make adjustments to offerings should the need arrive. Board approved programs will also continue to be considered.

Methodology

EPLC administered the best available information in order to attain the preliminary estimated budget for 2011-2014 CDM program delivery. EPLC used the same methodology as other Local Distribution Companies to estimate reasonable allocations for its Tier 1 program delivery. This methodology includes using the OPA’s Resource Planning Tool and making adjustments based on regionally specific assumptions.

Prospective Budget

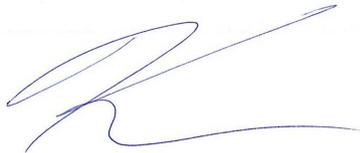
In response to the directive from the OEB to provide greater budgetary clarity, EPLC has prepared an estimated budget, by initiative for planned Tier 1 programs. EPLC’s total estimated budget is \$6,319,459.91 which is required in order to reach our demand and consumption targets throughout 2011-2014:

Program/Initiative	Estimated Budget
OPA Consumer Program	\$1,412,605.29
OPA Commercial & Institutional Program	\$3,233,371.47
OPA Low Income Program	N/A
OPA Industrial Program	\$1,673,483.15
Total Portfolio Budget	\$6,319,459.91

Conclusion

EPLC is pleased to be able to provide this addendum to our 2011-2014 CDM Strategic Plan to the OEB. We look forward to implementing a full suite of programs for our customer base in the spirit of conservation and sustainability. Should there be any issues or questions that arise throughout the course of reviewing this Strategic Plan, do not hesitate to contact us as soon as possible.

Sincerest Regards,



Kristopher W. A. Taylor, *MBA*
Conservation & Special Projects Manager