

# HVAC Coalition Inc.

*Committed to a Fair Marketplace for our Customers*

October 15, 2015

Ontario Energy Board  
2300 Yonge Street  
Suite 2701  
Toronto, ON M4P 1E4

**Attn: Kirsten Walli, Board Secretary**

Dear Ms Walli,

**Re: EB-2015-0029/49 - Union and Enbridge DSM Plans**

We submit this letter on behalf of Ontario's HVAC contractors to express our concern over intervenor proposals being made in the DSM cases of the two gas utilities, EB-2015-0029 and EB-2015-0049. HVAC Coalition elected not intervene in those cases because we did not have significant concerns with the proposals made by the utilities for continued and expanded DSM. Nothing in the plans suggested that the interests of our members could be affected adversely.

It has now come to our attention, however, that some parties have made additional proposals that could have negative impacts on the HVAC industry in this province. In particular, some parties are promoting not only OEB-mandated utility on-bill financing, but also some measure of control by the utilities over the HVAC industry, ostensibly in the name of promoting energy conservation. Such initiatives have been rightly rejected by the OEB in the past, and we did not know until very recently that they were again being proposed in this proceeding.

The HVAC Coalition has long been interested in the DSM plans of Union Gas and Enbridge Gas Distribution. We participated in their DSM consultative processes for a number of years and our members have been key partners with the utilities in the delivery of DSM programs. We were active participants in the discussions with both utilities regarding on-bill financing, discussions which ultimately led to the utilities rejecting utility-controlled financing programs.

HVAC contractors believe that the availability of a full range of financing options is critical to providing the best equipment and services to customers. Our customers benefit most from a wide choice of financing vehicles, with a range of terms, interest rates, and other

factors. The more competitive those options, the better for the customers. Providing access to the utility bill, as has been the case with Enbridge for several years, can be seen as a further benefit to the customers and we have supported the use of this as a tool for industry (though the uptake has not been significant).

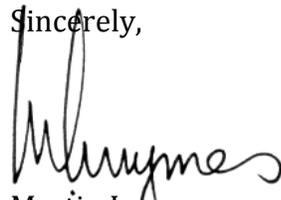
It appears that under new proposals by at least one intervenor, utilities would be ordered either to go into the financing business themselves, or to carry out an RFP to choose a winning provider of financing. In our view, utilities should not be encouraged to go back into the financing business. It is not their expertise. Further, whether they are a provider of financing on their own or they choose a sole provider, there is the potential to suck the air out of the market, leaving customers with fewer choices than they have today.

One proposal we have seen also proposes that the utilities exercise greater control over the contracting community, in essence acting as a regulator by designating those that are good, and those that are not. This is not the role of the utility and past proposals like this have been rejected strongly by the Ontario Energy Board and the Ontario marketplace.

HVAC Coalition is hopeful that the Board will not adopt any of the new proposals that potentially interfere in the competitive marketplace in the interests of conservation. If the Board is, however, considering any options of that sort, we ask simply that a process be put in place to give notice to those affected, including our members, and to allow them to provide evidence, input and submissions to the Board as appropriate.

Thank you for your consideration of this matter.

Sincerely,



Martin Luymes  
Case Manager

cc HVAC Coalition Board of Directors  
Tracy Lynch, Union Gas  
Fiona Oliver-Glasford, Enbridge Gas Distribution  
Mike Millar, OEB  
Takis Plagiannakos, OEB  
Valerie Bennett, OEB