

16 April 2009

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board

By e-mail and RESS

Dear Ms Walli:

Re: EB-2008-0150 – GEC Comments on Low-income Energy Assistance Program

Pursuant to the Board's notice of March 10th, we offer the following comments focussing on implementation issues in regard to the DSM aspects of the Board's LEAP Report. We offer three specific suggestions:

1. GEC submits that a streamlined approach to low-income DSM eligibility would be preferable to ensure ease of administration and the simplified enrolment of participants. GEC recommends that any customer eligible for any social assistance program that is means tested and based on household income should automatically qualify for participation in a low-income DSM program, without duplication of means testing. For customers not participating in any social programs but who may qualify, a fallback option of qualifying for the DSM program based on actual household income levels should be available. The principles supporting this approach should be adopted now, with detailed implementation sorted out by the Working Group or a province wide 3rd party program administrator as discussed below.
2. GEC notes the added transaction costs of targeted programs and of identifying and qualifying a potential low income participant. Accordingly, it is particularly appropriate to obtain the economies of scope and scale that all-fuels DSM programs can offer. The difficulty experienced by the utilities in identifying eligible participants in their initial low-income DSM program efforts to date suggests that an all-fuels approach is likely the only cost-effective strategy, as is practised in the US and UK.
3. GEC further suggests that in light of the need to achieve economies in regard to the relatively higher program delivery costs associated with low-income programs, and in particular given the advantages of an all-fuels approach, provincial level coordination is highly preferred over expecting individual LDCs to attempt to design and deliver their own programs, and the duplication of effort and cost this would entail. We note that the proposed Green Energy and Economy Act includes provisions to enable rate funding of provincially procured multi-fuel conservation. Coordinated all-fuels DSM and CDM can be achieved through a variety of mechanisms such as the OPA or gas LDCs offering such programs in cooperation with one another and with the electric LDCs, or via a government initiated program that utilizes the mechanism in the proposed Act. The Board should require a coordinated, all-fuels approach through one of these mechanisms for low-income DSM and CDM. A combined approach will also facilitate greater consistency of service

across the province, and participation by stakeholders in program development which would be difficult if each electric and gas LDC were to act independently.

The GEC's consultants have extensive experience designing, evaluating and delivering low income DSM programs and would welcome the opportunity to participate in any Working Groups or related processes in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "David Poch". The signature is fluid and cursive, with the first name "David" and the last name "Poch" clearly distinguishable.

David Poch