

11 May 2009

Ms. Kirsten Walli, Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Re: EB-2009-0102 and EB-2009-0103 – GEC submissions**

We offer the following comments on the companies' 2009 assumptions proposals:

As the Board's notices recite, EB-2006-0021 outlined a process allowing for updates to the DSM input assumptions, "arising from the evaluation and audit process, to be filed with the Board and considered accordingly". The 2008 Audit and Evaluation process has not run its course, nor have the A&E committees had a discussion of 2009 assumptions (despite the companies having agreed to the proposal we made in the fall that such a discussion should occur early in the year to alleviate the timing difficulty faced in past years).

The companies have filed 131 and 141 pages and the recent Navigant report that would inform this discussion is 284 pages in total. There is a large volume of material which we cannot efficiently digest without the ability to dialogue with the companies, without formal discovery, without adequate time, and without adequate notice to line up our expert advisor. However, we recognize that the timing of the DSM planning cycle makes it difficult to accommodate a more meaningful process at this time.

While we are therefore not in a position to offer substantial submissions on the 2009 proposed assumptions (with the one exception we discuss below), we do observe that the companies are proposing for this 2009 Update, that the utilities take their 2010 proposals (made in response to Navigant's draft) as a starting point with the view that best available information for 2010 should also apply to 2009. Despite proposing the use of best available information, the companies have ignored the instances where Navigant and the Board rejected the companies' 2010 proposals. While our initial, brief scan of the Navigant report leaves us with serious reservations about some of their conclusions, we would understand, in light of the Board's acceptance of that report, and in the interest of expediency, if the Board simply required the companies to proceed on the basis of the Navigant findings.

With respect to the assumptions associated with showerheads, we will be in a position to offer substantive comment within the next few days as our expert advisor is in the process of reviewing this matter as part of the Enbridge Audit Committee work.

At a broader level, we are quite concerned that flaws in the DSM regulatory process have led to

a situation where the companies are focussing significant effort in manipulating assumptions rather than in increasing participation and the real depth of savings, and that the current process offers intervenors no effective mechanism to counteract this tendency. We do not seek a complex and burdensome process. Rather, we seek a process whereby the companies are compelled to engage in meaningful consultation and where the companies are encouraged to get the assumptions right and focus effort on program improvement. We look forward to an opportunity to address these issues in subsequent Board processes.

Sincerely,

A handwritten signature in black ink, appearing to read "David Poch", with a stylized flourish at the end.

David Poch

cc: all parties