# Aiken & Associates

578 McNaughton Ave. West Chatham, Ontario, N7L 4J6

Phone: (519) 351-8624 Fax: (519) 351-4331 E-mail: raiken@xcelco.on.ca

May 7, 2010

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street Suite 2700 Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

Re: EB-2008-0346 – Written Questions on the Concentric Report from the London Property Management Association (LPMA) and the Building Owners and Managers Association of the Greater Toronto Area (BOMA)

Attached are a number of questions related to the report titled "Review of Demand Side Management (DSM) Framework for Natural Gas Distributors" dated March 19, 2010 from Concentric Energy Advisors.

Sincerely,

Randy Aiken

Aiken & Associates

### Question 1 - Page 12

The report indicates that jurisdictions in the U.S. were chosen because they were determined to be states which had the highest per capita spending on gas DSM programs.

- a) Does Concentric have any empirical data that there is a high degree of correlation between per capita spending and per capita reduction in gas use?
- b) If Concentric had chosen jurisdictions in the U.S. that were determined to be states which had the most effective per capita impact on gas use resulting from DSM programs, would the same states have been chosen?

### **Question 2 - Page 27**

- a) The report indicates that 11 of the 34 states with energy efficiency programs allow utilities to earn a financial reward or profit on the operations of natural gas energy efficiency programs. Is this number increasing, decreasing, or remaining relatively flat over the past number of years?
- b) What are the reasons given, if any, for using a stand-alone energy efficiency tariff or a surcharge on the customer bills instead of recovering the costs in base rates?
- c) Do any jurisdictions use a stand-alone energy efficiency tariff with an increasing block structure so that more of the cost of DSM programs is paid for by customers with higher consumption? If yes, please provide details.

#### **Question 3 - Page 95**

Please explain why Concentric is recommending a Board-recommended range of 4.0 to 6.0% of utility revenues less the purchased cost of gas when only 3 of the 10 U.S. distributors shown in Table 15 are within this range.

## **Question 4 - Page 115**

- a) For each of the states shown in Table 24 that provide for a penalty provision, please provide specific information on the level of performance below which the penalty provision applies and what and how the penalty is applied.
- b) Please confirm that the six states shown in Table 24 are the only ones out of the twelve states shown in Table 2 that have financial incentives/penalties. If this cannot be confirmed please provide details on the incentives/penalties for the other states where they are applicable.