June 7, 2010

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge St., 27th Floor Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2008-0346 - DSM Guidelines – GEC's Submission on the Report of the Pacific Economics Group Research

On March 19, 2010, the Ontario Energy Board (the "Board") issued for comment the Pacific Economics Group Research ("PEG") report entitled: "*Top Down" Estimation of DSM Program Impacts on Natural Gas Usage* (the "report"). The report attempted to establish whether a top down estimation of gas savings as a result of Demand Side Management ("DSM") programs would be feasible given the current data and gas demand models used in Ontario.

The conclusion of PEG is:

"Overall, PEG's research did not provide any "top down" evidence that is definitive enough to substitute for the bottom-up methods currently used in Ontario's gas DSM programs."

Given this conclusion, GEC submits that the existing "bottom-up" approach should continue to be employed. GEC submits that the current methodology helps ensure transparency, accountability, and provides detailed information that allows for program improvements.

Sincerely,

David Poch