

**Ontario Energy
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**Commission de l'énergie
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BY E-MAIL AND WEB POSTING

January 21, 2011

**To: All Rate-regulated Natural Gas Distributors
All Participants in Consultation Processes EB-2008-0346 and EB-2008-0150**

**Re: Demand Side Management (“DSM”) Guidelines for Natural Gas Distributors
(EB-2008-0346)**

Issuance of Staff Discussion Paper and Revised Draft DSM Guidelines

The Ontario Energy Board (the “Board”) initiated a consultation process in October 2008 to review the existing natural gas DSM framework and establish through guidelines a revised framework to be used by natural gas distributors in developing their next generation of DSM plans (EB-2008-0346).

Today the Board has posted for comment a staff discussion paper along with revised draft DSM guidelines (the “Guidelines”). The staff discussion paper provides background information, options and explanations for the recommendations that are reflected in the Guidelines. The staff discussion paper and the Guidelines are available on the Board’s website at www.oeb.gov.on.ca.

Following receipt and consideration of participants’ comments on the staff discussion paper and on the Guidelines, the Board will make any revisions to the Guidelines that it finds appropriate. The Board expects that the natural gas utilities will file their DSM plans for the 2012 program year and beyond in accordance with the Board’s DSM Guidelines.

Invitation to Comment

Participants are invited to provide written comments on the options and recommendations contained in the staff discussion paper and Guidelines by **February 14, 2011**, in accordance with the filing instructions set out below. Participants are asked to organize their comments on the elements in the staff discussion paper and the Guidelines by following the order in which they are discussed in those documents as well as referencing the sections in those documents.

The Board has determined that cost awards will be available to eligible participants for up to 20 hours to prepare their written comments on the staff discussion paper and on the Guidelines. **Information on cost awards in relation to consultations to date is contained in Attachment A.**

Next Step

Informed by the staff discussion paper, the Guidelines and participants' comments, the Board will make any revisions to the Guidelines that it finds appropriate and anticipates issuing its Final Guidelines in April 2011. The Board expects that the natural gas utilities will file their DSM plans for the 2012 program year and beyond in accordance with the Board's DSM Guidelines.

Filing Instructions

All filings to the Board in relation to this consultation must be addressed to the Board Secretary:

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto ON M4P 1E4

Two (2) paper copies of each filing must be provided. The Board asks that participants make every effort to provide an electronic copy of their filings in searchable/unrestricted Adobe Acrobat (PDF) format and to submit their filings through the Board's web portal at www.errr.oeb.gov.on.ca. A user ID is required to submit documents through the Board's web portal. If you do not have a user ID, please visit the "e-filing services" webpage on the Board's website at www.oeb.gov.on.ca and fill out a user ID password request. Additionally, interested stakeholders are asked to follow the document naming conventions and document submission standards outlined in the document entitled *RESS Documents Preparation – A Quick Guide* also found on the "e-filing services" webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@oeb.gov.on.ca. Those who do not have internet access should provide a CD or diskette containing their filing in PDF format.

Filings to the Board must be received by the Board Secretary by **4:45 pm** on the required date. They must quote file number **EB-2008-0346** and include your name, postal address, telephone number and, if applicable, an e-mail address and fax number.

All written comments sent to the Board in response to this letter will be available for viewing at the Board's offices and will be placed on the Board's website.

If the written comment is from a private citizen (i.e., not a lawyer representing a client,

not a consultant representing a client or organization, not an individual in an organization that represents the interests of consumers or other groups, and not an individual from a regulated entity), before making the written comment available for viewing at the Board's offices or placing the written comment on the Board's website, the Board will remove any personal (i.e., not business) contact information from the written comment (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the written comment will be available for viewing at the Board's offices and will be placed on the Board's website.

Questions relating to this consultation should be directed to Takis Plagiannakos at (416) 440-7680 or by e-mail at GasDSM@oeb.gov.on.ca. The Board's toll free number is 1-888-632-6273.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

Attachment

Attachment A

Cost Awards

Cost Award Eligibility

As noted in the Board's March 19, 2010 letter, cost awards will be available to eligible persons in relation to their participation under section 30 of the *Ontario Energy Board Act, 1998*. The costs to be awarded will be recovered from all rate-regulated natural gas distributors based on their respective distribution revenues.

Activities Eligible for Cost Awards

The Board's Decision and Order on Cost Awards dated June 9, 2010 provided the Board's findings with regards to cost award requests for all eligible activities that occurred between October 31, 2008 and January 6, 2010.

Activities eligible for cost awards that occurred after January 6, 2010 are as follows:

Activity	Total Eligible Hours per Participant
Preparation for, attendance at and reporting on the April 29, 2010 stakeholder meeting	Maximum of actual meeting time plus 50% of meeting time for preparation and reporting
Preparation for, attendance at and reporting on the May 13, 2010 webinar	Maximum of actual meeting time plus 50% of meeting time for preparation and reporting
Provision of written comments on the Concentric Energy Advisors Report	Up to 30 hours
Provision of written comments on the Pacific Economics Group Research Report	Up to 10 hours
Provision of written comments on the staff discussion paper and on the revised draft DSM guidelines	Up to 20 hours

Cost Awards

When determining the amount of the cost awards, the Board will apply the principles set out in section 5 of its *Practice Direction on Cost Awards*. Groups representing the same interests or class of persons are expected to make every effort to coordinate their participation in this process. The Board will consider any lack of coordination when determining the amount of a cost award. The maximum hourly rates set out in the Board's Cost Awards Tariff will also be applied.

The Board will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the Board will act as a clearing house for all payments of cost awards in this process. For more information

on this process, please see the Board's *Practice Direction on Cost Awards* and the October 27, 2005 letter regarding the rationale for the Board acting as a clearing house for the cost award payments. These documents can be found on the Board's website at www.oeb.gov.on.ca on the "Rules, Guidelines and Forms" webpage.