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February 14, 2011

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

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:


**Re: Comments on Behalf of the Ontario Sustainable Energy Association (OSEA)  
Board File No. EB-2008-0346 – Review of Demand Side Management  
Framework for Natural Gas Distributors (Revised)**

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Please find enclosed the comments completed by OSEA's consultant for the following revised reports:

1. Review of Demand Side Management (DSM) Framework for Natural Gas Distributors prepared by Concentric Energy Advisors (the "Concentric Report"); and
2. "Top Down" Estimation of DSM Program Impacts on Natural Gas Usage prepared by Pacific Economics Group Research (the "Peg Report").

Yours truly,



Cherie L. Brant

Encls

cc: Mr. Kristopher Stevens, Executive Director, OSEA

Document #: 398731

# EB-2008-0346

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## **OSEA's Comments on Revised Draft Demand Side Management Guidelines for Natural Gas Utilities, January 21, 2011**

### **General Comments**

OSEA suggests that the style and vocabulary used in the document is not appropriate for a regulatory document. It appears that the authors have used examples rather than provided guidelines. Such an approach might lead to alternative interpretations. While it is understood that the guidelines are not intended to be as prescriptive as the CDM Code for Electricity Distributors, the Board should strive to provide greater clarity on the broad constraints within which the natural gas distributors can operate. EB0 -169 which set up the original natural gas DSM guidelines remains a hallmark of such clarity.

OSEA is also concerned that much of the good advice in the Concentric Report aimed at creating a more robust framework for natural gas DSM has not been used in the draft guidelines.

#### **1. OSEA Comments on Section 1: OVERVIEW**

OSEA suggests a wording change: "...where possible, it should also result in the saving of a number of other resources such as electricity, water, propane, and heating fuel oil".

#### **2. OSEA Comments on Section 1.1: Background**

OSEA suggests that this history is well covered in the Staff Discussion Paper and does not need to be the final guidelines document.

#### **3. OSEA Comments on Section 1.2: Overview of the Revised Draft DSM Guidelines**

OSEA would be supportive of consistency between natural gas and electricity DSM/CDM but not at the expense of limiting the natural gas guidelines to the shortfalls in the CDM Code which OSEA identified in its submission in EB 2010-0215.

OSEA is unclear why and how any "attempt has been made to take into account the results of the Ontario Power Authority's ("OPA") consultations on the 2011-2014 province-wide electricity CDM programs, given that the natural utilities have over 15 years experience delivering DSM, while OSEA understands that the consultations on the 2011 – 2014 province wide programs have not yet had a successful outcome.

#### **4. OSEA Comments on Section 2: TERM OF THE PLAN**

OSEA disagrees that the initial term of the multi-year plans should be three years (2012, 2013 and 2014) as continuity in the market place is more important than "planning in" another overlap of revising both electric and gas guidelines at the same time. The term of the plan should be 5 years to reflect customer needs with respect building in the opportunities for retrofits within their capital improvement plans, particularly with respect to commercial, institutional and industrial consumers.

A five year horizon would also enable a more constructive ramp up of programs recognizing that there is nothing magic about a fiscal year when it comes to implementing energy projects.

OSEA agrees that the Board may consider a review of the natural gas DSM framework during its term and, if the Board is satisfied that the natural gas DSM framework remains appropriate, the Board could extend its term.

## 5. OSEA Comments on Section 3: PROGRAM AND PORTFOLIO DESIGN

OSEA suggests that definitions such as those in the footnotes should be placed in a definition list.

OSEA supports the four objectives but fails to understand why they are repeated so often in the guidelines.

OSEA agrees that natural gas utilities may pursue DSM activities that support fuel-switching away from natural gas where these activities align with the above four DSM objectives and contribute to a net reduction in greenhouse gases. This should also include fuel switching to less carbon intensive applications like ground source heat pumps, solar thermal space and water heating, etc.

OSEA agrees that fuel-switching to natural gas is not a DSM activity and DSM funds should not be used for this purpose **unless that total efficiency of the combined fuels is greater than the base case.**

OSEA agrees that guidelines ought to ensure adequate flexibility in DSM program and portfolio design is maintained, recognizing that the natural gas utilities are ultimately responsible and accountable for their actions. This flexibility should ensure that the natural gas utilities can continuously react to and adapt to current and anticipated market developments.

OSEA disagrees that the natural gas utilities should be required to seek approval to re-allocate funds to **new or existing** programs if the total budget does not change. Such a requirement is counter to the objective of flexibility and limits the managerial scope of the companies.

OSEA agrees that approval would be required to increase its budget beyond that allowed by the variance account.

## 6. OSEA Comments on Section 4: PROGRAM TYPES

OSEA suggests that Board staff may have not fully comprehended the need for additional program categories. Each of the three types of programs has very specific design, development and approval parameters. By not creating another category, and merely relying on reviews on a case-by-case basis with funding for these activities supported by the budgets associated with either or a combination of the three generics natural gas DSM program types increases the likelihood of natural gas utilities spending time and financial resources developing an initiative that may not be approved.

OSEA suggests in this case apply rules more consistent with the CDM Code would more appropriate including an allocation for pilots and research that closely resemble the Ontario Power Authority's Conservation Fund and Conservation Technology Fund.

## 7. OSEA comments on Section 4.1: Resource Acquisition Programs

OSEA recognizes that the traditional approach to resource acquisition programs that involve the replacement of standard efficiency equipment with more efficient equipment will continue to be a staple in the DSM tool kit. However, OSEA also suggests that the over reliance on measures contained in the Input and Assumptions List may not be having the full impact embedded in the assumptions. Most of such programs focus on providing incentives to replace less efficient equipment with more efficient equipment and using engineering estimates of the savings to calculate the program savings. Contrary to Board Staff's assumption that the programs provide direct, measurable savings customer-by-customer, it is more often than not that verification is of the installation of the prescribed equipment not of the savings. There is no guarantee that such installations will always achieve the engineering estimates of the savings. OSEA suggests that the evolution of a DSM regime focused only on "measures x participants x estimated savings per measure" predated the communications, metering and web based technologies which make performance based conservation possible, more cost effective and by definition more measurable than product incentives. It is time to embrace the opportunity for improved monitoring and verification that these advances have allowed.

A recent REALpac Report<sup>1</sup> illustrated the problems associated with the traditional product specific incentives: According to a commercial property manager, the following concern was expressed: *"We thought we were doing the right thing retrofitting from T-12 to T-8 lighting until we found our building at the right hand end of the chart. (poor performance) Now we know we have to redesign, not just replace fixtures," said a CaGBC Pilot Project Participant upon discovering that his building was on the far right after a retrofit paid for by a conservation program that added electricity load. Had he not just changed technology but specified a reduced wattage per square foot, he would have seen savings. Not only did the conservation program administrator pay an incentive was three times greater than necessary, the building manager paid for more lights that was needed and will pay higher energy bills."*

In its submission in EB-2010-0215, Toronto Region Conservation Authority shared the lessons learned from performance based conservation that avoids these problems:

- performance based conservation delivers far greater energy savings than previous approaches to energy (and water) conservation,
- the larger part of the savings is found in low/no cost improvements,
- successful and sustainable conservation has more to do with good management than with technology,
- conservation programs have to support building managers with information, tools and resources so that they can recognize the unique set of conservation opportunities in their facilities,
- benchmarking can identify buildings with high conservation potential, inform target setting and point to where savings are to be found in each building, and
- monthly savings reporting flags variances in predicted savings, identifies measures which do not perform as intended, verifies savings which have been achieved and guides continuous improvement

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<sup>1</sup> Filed as an attachment in OSEA comments on the Concentric Report, EB-2008-0346

OSEA recommends that resource acquisition programs that use actual data should be preferred over those which use engineering estimates providing the performance based monitoring and verification is part of an organized process such as TRCA's Greening Healthcare or Sustainable Schools.

OSEA also disagrees with Board Staffs assumption that :“For the most part, programs for new and existing commercial buildings are focused on the purchase and installation of efficient heating, ventilating, and air conditioning (“HVAC”) systems. Because of the unique nature of industrial customers, solutions for those customers tend to be custom designed measures”. In fact performance based programs are in fact truly custom programs which do as Board Staff indicate can involve customized design and engineering. However, restricting custom programs to specialized equipment or technology not identified in the Board approved list of input assumptions gives a preference for equipment to equipment replacements rather than holistic improvements in the operation, maintenance described above by TRCA and provides undue limitations on property owners and managers.

OSEA disagrees that projects that involve a combination of several measures provided in the list of input assumptions are not to be considered to custom projects as such an approach ignores the overlapping effect of multiple equipment and operating changes which can only be verified with real data pre and post installation and operational improvements.

## **8. OSEA Comments on Section 4.2: Low-Income Programs**

OSEA accepts the comments of LIEN with respect to Low Income matters but suggests that they be dealt with in a separate document so as to avoid confusion with respect to the other types of programs.

## **9. OSEA Comments on Section 4.3: Market Transformation Programs**

OSEA disagrees that market transformation programs tend to be more applicable to lost opportunities markets. Market transformation is about addressing the market barriers and failures that have created the huge pool of potential savings in homes, buildings and industry. Lost opportunities are a matter of timing. These two matters should not be confused.

In the US, many market transformation activities have are operated on a multi-state basis. Given Ontario's political and economic clout in Canada, market transformation should not be limited to “niches” but should be joint activities with other utilities, educational institutions, government as well as the market players themselves. That the drain heat recovery lent itself to a market transformation approach had more to do with the matter of working with homebuilders than the nature of the specific technology.

OSEA does agree that market transformation programs should be outcome-based e.g., selected and designed to achieve measurable impacts on the market but not necessarily specific to any technology.

OSEA suggests that once the dust settles on electric CDM introduction, that a summit be held to plan and develop province wide market transformation initiatives address broader issues.

## **10. OSEA Comments on Section 4.4: “R&D” and Pilot Programs**

OSEA disagrees that R&D and pilot programs should be reviewed on a case-by-case basis, with funding for these activities supported by the budgets associated with one or more of the three generic types of natural gas DSM program (i.e., resource acquisition, low-income, and market transformation programs).

OSEA disagrees that a pilot program is “one that involves the installation, testing and/or evaluation of technologies that are not already in use in Ontario”, or in limited use, and that serves as a tentative model for future development. While this may describe one type of pilot program, the real value in pilot programs is to test alternative components of programs such as target markets, delivery channels, incentive levels, or even monitoring and verification methodologies. To that end OSEA agrees that a properly structured pilot should provide an opportunity to gain experience in business processes, installation procedures, logistics, deployment, integration issues, customer communications, and customer impacts.

As stated above OSEA suggests rules more consistent with the CDM Code would be more appropriate including an allocation for pilots and research that closely resemble the Ontario Power Authority’s Conservation Fund and Conservation Technology Fund rather than requiring an application by a natural gas utility to fund a DSM R&D or pilot program.

OSEA agrees that natural gas utilities should be prepared to share the results and knowledge gained through the R&D or pilot program with the Board and other utilities and suggests that such a principle be also included in the CDM code.

## **11. OSEA Comments on Section 5: SCREENING AND PRIORITIZATION**

While OSEA suggests a more performance oriented approach to DSM programs, the screening of measures and documentation of assumptions represents an important first step in understanding the scope and potential from conservation. However OSEA disagrees that the screening of DSM programs or measures should automatically remove either a measure or a program from further consideration. Rather such screening should inform the final decision on the mix of programs to be pursued and the budget required to do so.

OSEA suggests regrouping the guidelines to deal with the application screening to each different program type in one complete section.

## **12. OSEA Comments on Section 5.1: Screening Test**

OSEA suggests that the entire portfolio of programs (excluding low income) must pass the threshold of the modified total resource cost test (“modified TRC). The design of the Shared Savings Mechanism (SSM) will naturally limit pursuing measures and programs which do not pass the test. OSEA will comment on the “carbon adder” later in this paper.

OSEA disagrees with the characterization of the TRC as a “mechanistic screening approach”. While the mathematics, using appropriate spreadsheet technology are mechanistic, the selection of measures and the definition of assumptions are not at all simple or mechanistic. It requires a thorough understanding of market conditions, variations among target markets and understanding of the adoption of new technologies and approaches in the marketplace.

OSEA suggests that description of the modified TRC test measures be moved to a definitions list.

### **13. OSEA's Comments on Section 5.1.1 Net Equipment Costs**

OSEA suggests that description of Net Equipment and Program Costs be moved to a definitions list

### **14. OSEA Comment on Section 5.1.2: Program Costs**

OSEA suggests that description of Program Costs be moved to a definitions list

### **15. OSEA's Comments on Section 5.1.3: Modified TRC Test Calculation**

OSEA suggests that description of Modified TRC Calculation be moved to a definitions list.

OSEA suggests that this section be moved to section 5.1.

OSEA suggest that most DSM programs should be multi-year and may involve an initial ramp-up in the first year(s). Accordingly, screening any program on an annual basis will fail to recognize that net benefits over their entire life.

OSEA suggests that a natural gas utility should provide the modified TRC test results resource acquisition programs. For other programs, OSEA suggests that the modified TRC on the measure is sufficient.

### **16. OSEA Comments on Section 5.2: Market Transformation Programs**

OSEA agrees that market transformation programs should be assessed on their own merits based on the specific objectives of the program.

### **17. OSEA Comments on Section 5.3: R&D and Pilot Programs**

OSEA agrees that R&D and pilot programs are not amenable to a mechanistic screening approach and should be assessed on their own merits based on the specific objectives of the program.

### **18. OSEA Comments on Section 5.4: Prioritization**

OSEA suggests that this section is redundant of the items on prioritization in Section 4.

### **19. OSEA's Comment on Section 6: DEVELOPMENT, UPDATING AND USE OF ASSUMPTIONS**

OSEA suggests that this is a definition and should be included in such a list.

### **20. OSEA comments on Section: 6.1: Input Assumptions**

OSEA agrees that the Board will oversee the review and update to the common set of measures and assumptions for prescriptive programs using an independent consultant and interested participants will be provided with an opportunity to comment on those inputs before they are finalized. These input assumptions will continue to cover a range of typical DSM activities, measures and technologies in residential and commercial applications. If applicable and practical, input assumptions for DSM activities, measures and technologies for industrial applications could also be added. The approved revised and updated set of input assumptions will be posted on the Board's website.



OSEA suggests that the natural gas utilities can use different input assumptions if they have more up to date information, as well as to account for differences in their service areas.

## **21. OSEA Comments on Section: 6.1.1: Base Case Assumptions**

OSEA suggests that this section should be refocused on measures rather than programs.

## **22. OSEA Comments on Section 6.1.2: Updates to Input Assumptions during the DSM Plan**

OSEA agrees that the input assumptions and measures list may change over time based on more accurate and up-to-date information resulting from the annual evaluation and audit process and other research undertaken as required.

OSEA agrees that after the completion of the annual evaluation and audit process and informed by the inputs obtained through the stakeholder engagement process, the natural gas utilities should jointly consider whether any updates and/or additions to the set of approved input assumptions are required. In determining whether there is a need to update and/or add any input assumptions, the natural gas utilities may also take other research information into consideration.

OSEA agrees that the natural gas utilities should cooperate in preparing their individual applications for updates and/or additions to the set of approved input assumptions, or they may file a joint application. The application should be made as soon as practical after, but not prior to, the completion of the auditor's final report (i.e., the Audit Report) on the natural gas utility's Draft Evaluation Report.

OSEA disagrees that the application should be made annually, whether or not the natural gas utility is requesting any changes to the set of input assumptions.

OSEA suggests that the Board initiate a process whereby market participants, stakeholders and intervenors can independently ask for revisions to the measures and assumptions lists.

## **23. OSEA Comments on Section 6.1.3: Use of Input Assumptions**

OSEA agrees that the natural gas utilities should design and screen DSM programs using the best available information known to them at the relevant time and that they should continuously monitor new information.

OSEA agrees that the natural gas utilities should determine if and when a program needs to be adjusted based on new information.

OSEA agrees that the evaluation of the achieved results for the purpose of determining the lost revenue adjustment mechanism ("LRAM") amounts should be based on the best available information which, in this case, refers to the updated input assumptions resulting from the evaluation and audit process of the same program year.

OSEA prefers to see the shareholder incentive based on the approved programs and the assumptions at that point in time.

OSEA agrees that where feasible and economically practical, the preference to determine LRAM amounts should be to use measured actual results, instead of assumptions, specifically if a customer is engaged in ongoing benchmarking which includes regular bill analysis.



#### **24. OSEA Comments on Section 6.2: Avoided Costs**

OSEA suggests that this should be included in a definitions list.

#### **25. OSEA Comments on Section 6.2.1: Updating Avoided Costs**

OSEA agrees that natural gas utilities should submit avoided costs for approval as part of their multi-year DSM plan, with the commodity costs to be updated annually.

#### **26. OSEA Comments on Section 6.2.2: Costs of Carbon Dioxide Equivalent Emissions**

OSEA suggests that the value for avoided CO<sub>2</sub> emissions should be deemed to be \$40 which was the pass/fail hurdle rate used by both utilities in their 1997 DSM Plans following an OEB sponsored collaborative process to determine the value of externalities..

If market developments warrant re-examining this value during the term of the plan, OSEA agrees it should be done.

#### **27. OSEA Comments on Section 6.2.3: Discount Rate**

OSEA suggests using Ontario Energy Board's Deemed Long-Term Debt Rate: 5.5%

#### **28. OSEA Comment on Section 7: Adjustment Factors for Screening and Result Evaluation**

OSEA suggests that the repetition from earlier sections is unnecessary in this section and points to its comments on the repeated statements from those earlier sections. OSEA also suggests that the definitions in the subsections be included in a list of definitions.

#### **29. OSEA Comment on Section 7.1: Free Ridership and Spillover effects**

OSEA concurs.

#### **30. OSEA Comment on Section 7.2: Attribution**

OSEA concurs.

#### **31. OSEA Comment on Section 7.2.1: Attribution: Electric Utilities**

OSEA concurs.

#### **32. OSEA Comment on Section 7.2.2: Attribution: Other Parties**

OSEA disagrees that attribution be based on share of costs incurred. OSEA prefers to see the principal of centrality to continue to reward the natural gas utilities for being proactive with respect to developing partnerships and finding innovative ways to deliver savings.

#### **33. OSEA Comment on Section 7.3: Persistence**

OSEA concurs, but notes that a performance based approach that monitors savings on a monthly or annual basis would provide a better basis for calculating persistence among the suite of energy technologies and operational savings that result from programs.

#### **34. OSEA Comment on Section 8: BUDGETS**

OSEA concurs that DSM budgets should be established at the outset of the multi-year DSM plan term.

OSEA agrees that that multi-year funding will support better planning and management, and will also be more conducive to developing partnerships.

OSEA agrees that annual budget amounts will be an input to each year's distribution rate adjustment.

OSEA disagrees that the budgets should be included in the guidelines, nor should the guidelines prescribe the allocation of budgets to program types.

#### **35. OSEA Comment on Section 9: METRICS**

OSEA suggests that repeating statements from other sections is not required.

OSEA suggests that the definition of Metrics be put in a list of definitions.

OSEA does not support abandoning a metric for the net present value of customer savings.

#### **36. OSEA Comment on Section 9.1: Metrics for Resource Acquisition Programs**

OSEA notes that cross subsidization between participants and not participants is a factor of the allowed budgets rather the measures or program design. OSEA also suggests that addressing this issue is not relevant to metrics.

#### **37. OSEA Comment on Section 9.2: Low-Income Programs**

OSEA concurs that Low-income programs should be evaluated using a scorecard approach, which should help promote and strengthen the benefits of certain aspects of these programs. With respect to specific comments on the structure of the scorecard, OSEA concurs with the comments of LIEN.

#### **38. OSEA Comment on Section 9.3: Market Transformation Program Metrics**

OSEA concurs with that idea that market transformation programs should be evaluated using a scorecard approach.

OSEA concurs with the use of outcome based metrics, but suggests that in some cases, input measures may also be of value.

OSEA concurs that such metrics should be informed through its stakeholder engagement process, but points ahead to its comments differentiating the intervenors on the consultative and the broader community of stakeholders who do not participate in the consultative.

OSEA disagrees with respect to the link between market transformation and lost opportunities as stated earlier.

#### **39. OSEA Comment on Section 10: DSM TARGETS**

OSEA suggests moving the definitions to a definition list.

OSEA concurs that annual targets should be set for each of the program years.

OSEA suggests that most multi-year programs may involve an initial ramp-up in the first year(s), the annual targets for those programs should reflect their initial ramp-up but see no need for a different set of metrics and weights should be used during their initial ramp-up period.

OSEA does not think the achievement levels should be dealt with in this section.

#### **40. OSEA Comment on Section 11: INCENTIVE PAYMENTS**

OSEA disagrees that incentive caps are required in that such caps would, de facto, put a cap on customer savings.

#### **41. OSEA Comment on Section 12: LOST REVENUE ADJUSTMENT MECHANISM**

OSEA concurs that LRAM amounts should be only accruable until distribution rates based on a new load forecast are set by the Board.

#### **42. OSEA Comment on Section 13: ACCOUNTING TREATMENT**

OSEA has no comment on accounting treatment

#### **43. OSEA Comment on Section 14: PROGRAM EVALUATION**

OSEA suggests editorial type of statement such as this one and many others in this section are not required: "Effective monitoring and EM&V of DSM programs is a critical part of ensuring that programs are cost effective and generate the desired outcomes. Monitoring and EM&V also provides the natural gas utilities with the opportunity to identify ways in which a program can be changed or refined to improve its performance. Moreover, EM&V of DSM activities is important to support the Board's review and approval of prudent DSM spending, LRAM and incentive amounts claimed by the natural gas utilities." OSEA suggests the salient points be included in a definition lists.

#### **44. OSEA Comment on Section 15.1: Evaluation Plan**

OSEA concurs that natural gas utilities multi-year DSM plan applications should include an Evaluation Plan but it should be multi-year as well.

OSEA suggests that the statements in this section would be better replaced by an Evaluation, Monitoring and Verification Protocol and suggests that the gas utilities work with the OPA to develop similar protocols including matters related to attribution, etc.

OSEA concurs that the level of effort required for monitoring and EM&V will change from year to year depending on the nature of the DSM programs undertaken and as a result of the flexibility of the DSM framework. It is also expected that more extensive review will be undertaken for those programs that account for the majority of expenditures and savings.

OSEA concurs that all program result evaluations should be conducted by the natural gas utilities' third-party evaluator(s).

OSEA disagrees that the natural gas utilities' third-party evaluator(s) should be selected from the OPA's third-party vendor of record list until they are assured that includes vendors with sufficient expertise on gas related evaluations.

OSEA would rather see a common evaluation; measurement and verification protocol developed which differentiates as appropriate for use with gas or electric matters.

#### **45. OSEA Comment on Section 15.2 Evaluation Report**

OSEA concurs that natural gas utilities should prepare a Draft Evaluation Report that provides a clear compilation of the results achieved during each program year (as evaluated by the natural gas utilities' third party evaluators) and it should accordingly be prepared on an annual basis but suggests the components of that report be included in the protocol rather than these guidelines.

#### **46. OSEA Comment on Section 15.3: Independent Third Party Audit**

OSEA suggests that these requirements be included in an EM&V Protocol rather in the guidelines.

#### **47. OSEA Comment on Section 15.4: Finalization of the Evaluation Report**

OSEA suggests that these requirements be included in an EM&V Protocol rather in the guidelines.

#### **48. OSEA Comment on Section 16: STAKEHOLDER INPUT AND CONSULTATION PROCESS**

OSEA concurs that the natural gas utilities are ultimately responsible and accountable for their DSM activities and, accordingly, consultative activities should be undertaken at the discretion of the natural gas utilities.

OSEA suggests that there is a significant difference between the "stakeholders" for natural gas DSM and the makeup of the intervenor based consultative process and that this should be recognized by the Board and the intervenors. OSEA acknowledges that the intervenor members of the consultative may be a subset of stakeholders in general, but suggests that the Board should recognize the legitimacy of the natural gas utilities working with the broader universe of stakeholders.

OSEA concurs that natural gas utilities may find, at their discretion, that broader stakeholder and expert engagement is appropriate. The natural gas utilities should determine, as part of their planning process, the appropriate amount to include in its overall DSM budget for stakeholder engagement, separate from the consultative and based on anticipated needs.

#### **49. OSEA Comment on Section 16.1: Stakeholder Engagement Process**

OSEA suggests that all participants in the Board's consultation on the development of these Natural Gas DSM Guidelines (EB-2008-0346) should be invited to participate in the natural gas utility's DSM consultative process and that as part of their consultative process; each natural gas utility should hold a minimum of two meetings every year.

OSEA suggests that the Board should recognize that neither members of the consultative nor members of the broader stakeholder community are experts in Demand Side Management. While their advice has great value to the utilities, they should not be limited by such advice.

OSEA suggests that the components of that meeting need not be specified in these guidelines.

**50. OSEA Comment on Section 17: COORDINATION AND INTEGRATION OF NATURAL GAS AND ELECTRICITY CONSERVATION PROGRAMS**

OSEA concurs with the point that greater coordination or integration of natural gas DSM and electricity CDM programs should be encouraged, as opposed to being mandated.

**51. OSEA Comment on Section 17.1: Electricity CDM Activities Undertaken by a Natural Gas Utility**

OSEA has no comments on this section.

**52. OSEA Comment on Section 18: ADDITIONAL GUIDANCE ON MULTI-YEAR PLAN FILING REQUIREMENTS**

OSEA does not think this section is required given that all these guidelines now apply to multiyear planning.