



Fogler, Rubinoff LLP Barristers & Solicitors
95 Wellington Street West
Suite 1200, Toronto-Dominion Centre
Toronto, ON M5J 2Z9
Tel: 416.864.9700 Fax: 416.941.8852
www.foglers.com

February 28, 2011

Reply To: Thomas Brett
Direct Dial: 416.941.8861
E-mail: tbrett@foglers.com
File No: 111430

VIA COURIER AND E-MAIL

Kirsten Walli
Ontario Energy Board
2300 Yonge Street
Toronto, Ontario M4P 1E4
boardsec@oeb.gov.on.ca

Dear Ms. Walli:

Re: Toronto Hydro-Electric System Limited, 2011-2014 Board-Approved Conservation and Demand Management Programs; EB-2011-0011

I am writing on behalf of the Canadian Energy Efficiency Alliance ("CEEA") to reply to Mr. Parker Gallant's objection to the Board's finding the CEEA eligible for costs in the Toronto Hydro CDM program approval proceeding (EB-2011-0011), in his letter of February 6, 2011.

Mr. Gallant objected on two grounds. Mr. Gallant's first ground took the form of quoting verbatim the relevant part of the Board's decision in EB-2010-0377, EB-2010-0378 and EB-2010-0379, in which it found CEEA to be ineligible for costs in those combined proceedings. CEEA has requested the Board rehear and vary that decision in a submission dated February 16, 2011. In any event, the Toronto Hydro case is different than the "combined proceedings" case, in that the CEEA's public interest mandate of energy efficiency is obviously relevant to the Toronto Hydro CDM program proceeding. The Toronto Hydro case is identical in this respect to the Hydro One and Hydro One Brampton CDM programs cases (EB-2010-0331 and EB-2010-0332), in which the Board found CEEA eligible for costs because it represented a public interest relevant to the Board's mandate and to those proceedings. Second, Mr. Gallant suggested that CEEA's objective in intervening was to question the conservation target allocated to Toronto Hydro. That allegation is not true. The CEEA's interest is in the overall effectiveness of the Toronto Hydro program, including the management, finance, choice of programs, program scope, methods of measurement of savings, relationship with the OPA programs, among other issues.

More generally, CEEA is an established organization now in its seventeenth year of operation, separate and distinct from its membership. CEEA is a not-for-profit corporation with a diverse



membership. Its mission statement is straightforward – to promote and advance energy efficiency in Canada. Its membership represents a wide cross section of energy sector stakeholders, including publicly owned companies, investor owned companies, institutions, foundations, associations, and utilities. A current membership list and a list of directors is attached as Appendix A.

CEEA was founded in 1995 by a group of senior participants in the Ontario and Canadian energy industry to address a perceived institutional gap, namely the absence of a national, independent organization in Canada dedicated solely to advancing and promoting energy efficiency in the country, in public education, at regulatory proceedings, and in policy and research initiatives. The United States had had for some years both the Alliance to Save Energy and the Association for an Energy Efficient Economy.

CEEA has over the last seventeen years been heavily involved in promoting energy efficiency best practices, advising governments on energy efficiency policies, sponsoring R&D&D projects on various aspects of energy efficiency (eg. fleet management), for the Ontario government, which has achieved substantial savings for the government's vehicle fleet. It has also produced biennial energy efficiency report cards for Canada's federal and provincial government (a copy of the most recent (2009) report is attached as Appendix C), and related initiatives. It works in partnership with manufacturers, utilities, governments, labour and consumer groups, and environmental organizations to facilitate the adaption of energy efficiency measures in Canada. (Two recent CEEA newsletters are attached as Appendix B). Some of CEEA's recent activities include:

- being an expert witness for the federal government's Standing Committee on Energy hearings on the cancellation of the federal Eco Energy Incentive Program.
- participation in a Ministry of Energy and Infrastructure taskforce on building labelling mandated by the Green Energy and Green Economy Act.
- member of the Building Code Energy Advisory Council to the Minister of Municipal Affairs and Housing.
- CEEA devotes substantial attention to Codes and Standards – it is currently on all major energy standards bodies, including the Canadian Standards Authority ("CSA"), Technical Committees on Lighting, Electric Vehicles Recourse, and Industrial Electric Motors (CEEA is Chair).
- initiated the Police/Emergency Medical Services Vehicles Idling Reduction Project, dealing with new idle reduction technology.
- joint projects with Proctor & Gamble.

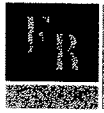
Its interest in energy efficiency, and its interest in this proceeding is consistent with its history, and is broad based, ranging across the choice of programs, their potential contribution to reduction in demand and energy use, the breadth of programs required and proposed in the residential, commercial and industrial sectors, the strength and weakness of electricity utilities as purveyors of energy efficiency programs, and how to strengthen their hand, the strength of the nexus between OPA and Toronto Hydro, the possibilities for collaboration among gas, electricity, water and district heating utilities, alternative methods for incenting and financing conservation initiatives, knowledge of best practices in other countries, channels for program delivery, including ESCOS and other private sector parties, program management and implementation issues, including best practices for verification of, and techniques for measurement of, energy savings, to name only some of the issues it will pursue.

CEEA receives modest annual dues from its members. These funds are sufficient to support a small headquarters staff but not the cost of intervening in regulatory proceedings. In that regard, CEEA is similar to many associations that represent other public interests, including customer interests, before the Board. On occasion, CEEA will receive government funds pursuant to a contract(s) to conduct policy research on a specific topic or manage an energy efficiency project. Government funds are always earmarked for a specific project.

CEEA is uniquely qualified to assist the Board with insights on energy efficiency issues. It is the only national organization devoted exclusively to advancing and promoting energy efficiency programs nationwide, including Ontario. The three individuals on CEEA's OEB team have over one hundred years of combined senior level experience in creating and executing energy efficiency programs and policies, and managing energy efficiency businesses, and have been engaged in the field for virtually their entire professional careers as consultants, government officials, businesspeople, and lawyers.

CEEA, as an intervenor in this proceeding, is the "party" seeking costs. Its members are not seeking costs, any more than the members of, for example, APPrO, AMPCO, IGUA, or VECC, are seeking costs. CEEA's members are not the party, CEEA is. As outlined above, CEEA is a distinct organization, with a seventeen year history, which has contributed significantly to advancing the cause of energy efficiency over those years.

Section 3.03 of the Practice Direction provides that a party in a Board process is eligible to apply for a cost award where that party represents either the direct interests of consumers, has an interest in land affected by the process, or primarily represents a public interest relevant to the Board's mandate (our emphasis). While the section speaks of "eligibility to apply for costs", the Board's practice has been to make such parties eligible for costs (our emphasis), assuming relevancy to the proceedings in question. Section 3.03 is structured in such a way that for the Board to act in any other way would make the section practically meaningless. This conclusion does not undermine in any way the notion that the Board always may exercise its discretion not to award costs, nor the fact that the Board may consider any other relevant fact that it considers to be in the public interest in making its decision.



CEEA's main interest and raison d'être are distinct from those of its utility members, whose primary mandate is only in small part to do with encouraging energy efficiency (although that will change to some degree over the next couple of decades). CEEA is of the view that to a considerable degree, they support CEEA out of a belief that it is the right thing to do, rather than pursuant to any immediate corporate interest.

Moreover, the fact that some of CEEA's member organizations pursue energy efficiency initiatives pursuant to government directives or otherwise should not disqualify CEEA from being eligible. In fact, CEEA views part of its job to persuade regulated utilities, including its member utilities, and their regulators, like the OEB, to commit/authorize more resources to energy efficiency activity than they might do otherwise and ensure and insist that the organizations that receives such funding be (and remain) at the forefront of best practices.

The fact that some of CEEA's members are commercial interests should not disqualify CEEA from eligibility. Many entities, such as AMPCO and IGUA, which are eligible for costs, are composed entirely of commercial interests, that is, investor-owned corporations. The Board's Practice Direction does not establish eligibility on the grounds of the ownership of the member organizations of the party, or of the ownership of the party applying, whether "commercial" or otherwise. Moreover, CEEA has many other members that are not commercial interests, as can be seen by examining the membership in Appendix A.

As noted above, CEEA is a separate not-for-profit corporation, established with a broad mandate to advance energy efficiency. That is quite different from ad hoc groups formed from time to time, mostly, if not exclusively, for the purpose of meeting the Board's eligibility criteria (either marketers or generators).

Finally, it is noteworthy that Toronto Hydro did not object to CEEA's application for costs. The only objection was from Mr. Gallant. We have addressed his submission in this letter.

Yours sincerely,

FOGLER, RUBINOFF LLP

A handwritten signature in black ink, appearing to read 'Tom Brett', written over the printed name.

Thomas Brett

TB/dd

Encls.

APPENDIX A

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 **CANADIAN**
Energy Efficiency Alliance

Board Members

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Stephen Koch
NAEMA Canada
Board Chair



Michael Lio
Lio & Associates
Board Vice-Chair



Corey McBurney
EnerQuality
Board Treasurer



Giuliana Rossini
Hydro One
Board Secretary



Keith Boulton
Union Gas



Mike Brophy
Enbridge Gas Distribution



Laverne Gargleish
National Energy Conservation
Association



Gary Johnson
Seneca College




Joan Huzar
Consumers Council of Canada

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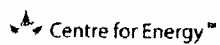




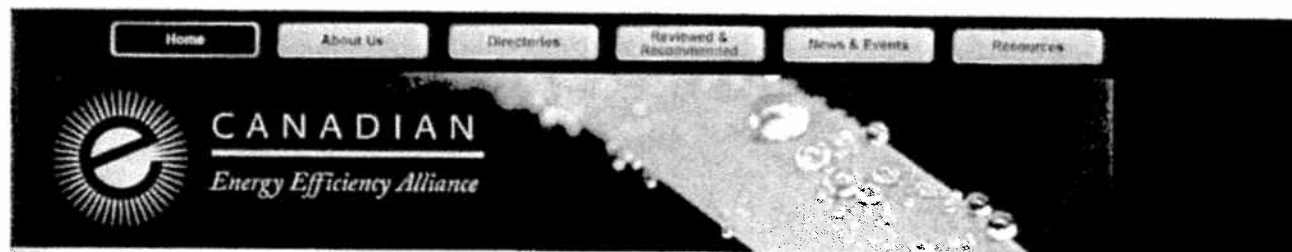
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APPENDIX B



CEE e-News

The CEE e-Newsletter provides members and interested parties with updates on energy efficiency news on a monthly basis. To subscribe to our e-Newsletter, [click here](#)

DECEMBER NEWS

Happy Holidays

Over the last fifteen years, CEEA has been advocating to federal, provincial, and local governments and businesses for the need to conserve energy.

With buildings, households, and products accounting for over 30% of the energy use in Canada, some of the most cost-effective ways to save energy are to make changes to product standards and

That's why CEEA has been actively working with the Canadian Standards Association (CSA), to put forward recommendations to improve the energy efficiency of product standards in Canada. CEEA

The *National Report Card on Energy Efficiency*, released earlier this year, evaluated federal, provincial, and territorial governments on their energy efficiency performance in 2009. The *Report* saw a

With an increasing population, and increased demand on our electricity supply, it is essential that all levels of government, businesses, and consumers practice energy conservation. We are hopeful

On behalf of the Canadian Energy Efficiency Alliance we would like to wish you and your family a safe, energy efficient, and happy holiday season!

Ken Elsey
President and CEO
Canadian Energy Efficiency Alliance

Horizon Utilities--CEE's Newest Member



Horizon Utilities Corporation has joined CEEA as a new Corporate Member.

Horizon Utilities is one of the largest municipally-owned electricity distribution companies in Ontario, providing electricity and related utility services to more than 237,000 residential and commercial c

Horizon will be represented by Eileen Campbell, Vice President, Customer Service.

For more information about Horizon Utilities, [click here](#)

CEE and CanREA Bring Stakeholders Together to Develop a National Strategy on Energy Efficiency

The draft National Strategy on Energy Efficiency recommendations and model programs that were put together earlier this year in cooperation with the Canadian Renewable Energy Alliance (CanREA)

To view a copy of the letter sent to the Prime Minister, recommendations and model programs, please [click here](#)

Ontario Clean Energy Benefit- CEEA Meets with the Ministry of Energy Prior to Release

Prior to the Ontario Government's announcement to cut Ontarians' hydro bills by 10% through the release of the Clean Energy Benefit, CEEA met with Ministry of Energy staff to discuss the energy i

To view a copy of the letter to the Premier of Ontario [click here](#)

Note: Prior to the announcement of the 10% reduction the concern was focused on the elimination of the HST on electricity bills--thus the reference in the following letter

Ontario's Long-Term Energy Plan--Positive Energy Conservation Initiatives

CEE was a participant in the review of Ontario's new Long-Term Energy Plan and there are several positive initiatives coming out of the plan that CEEA has been advocating for over the last couple

- Stronger building codes
- \$12 billion to be spent on conservation over the next 20 years
- \$32 billion to be spent on renewable energy projects

CEE's *Report Card* was also mentioned in the Energy Plan under Ontario's Conservation Accomplishments

[Click here](#) to view the full Energy Plan

EnerTransport-CEEA's Newest Company!

The new company set up by CEEA to manage the commercialization of the Hybrid Idle Reduction System (HIRS), a new idle reduction technology that will reduce the amount of green house gases t
EnerTransport's board, comprised of Ken Elsey, Michael Liu, Gary Johnson, and Stephen Koch, along with Roger Smith, will hold its first meeting in the next few weeks to develop a strategic directio.

INTERESTING ARTICLES

MakingIt Magazine--On Track to Prosperity?

This issue deals with the challenges facing Least Developed Countries and the importance of strengthening productive capacity

[Click here to view the publication online.](#)

G20: The Seoul Summit

G20 Seoul Summit - Shared Growth Beyond Crisis provides in-depth analysis of the key issues tackled at the November 11-12, G20 Seoul Summit. Contributors include: Lee Myung-bak, Stephen H.

Articles of Interest:

- The global green growth opportunity (pg. 82)
- The clean energy contribution (pg. 87)
- The green race is on: Who will win and why? (pg. 92)
- Fossil fuel subsidies: The G20's path to reform (pg. 96)
- Clean energy for climate change control (pg. 98)
- Carbon capture and sequestration and climate change control (pg. 102)
- China's approach to climate change control (pg. 106)
- Controlling climate change (pg. 108)

[Click here to view the full publication.](#)

Cost of Efficient Construction Falls Under \$1,000 USD Per Home

Meeting the current energy efficiency building code adds a mere \$818.72 USD on average to the construction costs of a new home, reports a recent study by the Building Codes Assistance Project (B

Homeowners will be able to recoup those extra dollars in less than three and a half years, thanks to the annual energy savings of \$243.37 USD per home. If the additional \$818.72 USD is spread ove

[Read on .](#)

Time to Change Habits: As Well As Light Bulbs?

By Elise Wood

We are bombarded daily by advertisements selling us soft drinks, pharmaceuticals, cars, insurance, junk food, teeth whitener, diet programs, and on and on. But when was the last time someone tne
I cannot think of a single commercial that encourages us to plug-in, even though electricity is the chief product of 3,000 utilities in the United States.

This speaks to how easy it is to access and use electric energy, its relative cheapness, invisibility, and integral role in daily life. No need exists for utilities to market electricity; we devour electrons blr
So how do you convince people to conserve something that they use so much, yet hardly even notice they buy?

[Read on](#)

Energy Efficiency: Real Estate's Next Granite Counter Top?

By Elise Wood

A lot of good economic reasons exist to pursue energy efficiency. Still the average person tends not to. This is no surprise: if I cannot see, touch, buy, sell, trade or save efficiency, it's invisible, how
Often on the vanguard, Boston-based Conservation Services Group (CSG) is working on an idea to make home efficiency more tangible. It is a surprisingly simple idea: One that is likely to leave a lo
You might say CSG is making energy efficiency the next granite kitchen counter top of the real estate business.

Through a \$348,000 grant from the Dons Duke Charitable Foundation, CSG is working on a metric to describe a home's energy efficiency value. When a homeowner lists a house for sale, the metric
Suddenly, efficiency is tangible, something that can be quantified and can add or detract to home value.

[Read on](#)

MEMBER NEWS

We would like to highlight energy efficiency news from our member organizations. Member energy efficiency efforts will be posted in our CEEA e-news and on our website under our Resources sec

Union Gas and Enbridge Gas Launch Winter Warmth Programs in Partnership with the United Way

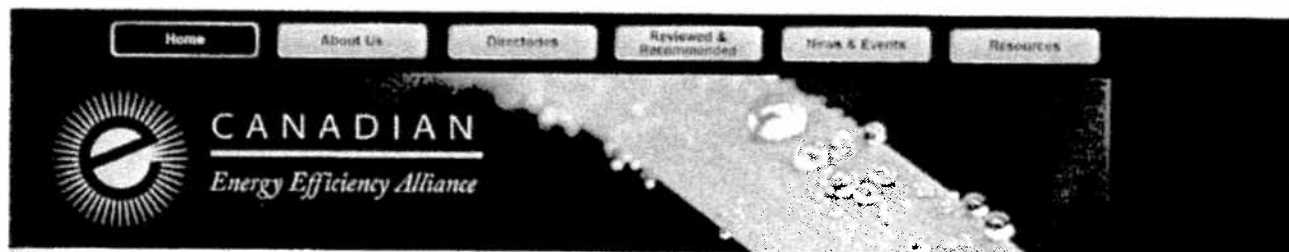
Union Gas and Enbridge Gas have recently launched their annual Winter Warmth programs, which offer emergency relief to low-income families who face financial difficulties paying their natural gas. Through the Winter Warmth programs, which operate in partnership with United Way agencies across the province, customers can receive one-time financial assistance of up to \$500 per household.

"By working together with local agencies through the United Way, we are able to reach out to people in the community and help those in need," said Janet Holder, President, Enbridge Gas Distribution.

For more information on Winter Warmth and Union Gas, [click here](#).

For more information on Winter Warmth and Enbridge Gas, [click here](#).

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CEEA e-News

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FEBRUARY NEWS

[Building Code in Alberta Needs to Update its Energy Efficiency Standards](#)

[NDP Supports Need for EcoEnergy Funding—Calls on NRCan to Build it into the Budget](#)

[Canadian Embassy in Santiago Chile Looking for International Collaboration on Energy Efficiency](#)

[Demand-Side Energy Management Programs are a Growing Segment of the Energy Industry and the National Economy](#)

[IEA Policy Pathway: Energy Performance Certification of Buildings](#)

[How to Make Energy Efficiency Affordable](#)

[Building Science and Technology Conference](#)

[Look Who's on the Move](#)

Building Code in Alberta Needs to Update its Energy Efficiency Standards

The Canadian Energy Efficiency Alliance, Alberta Energy Efficiency Alliance, North American Insulation Manufacturers Association of Canada, the Pembina Institute, and the Consumers Council of Canada have launched a campaign to urge consumers to contact their local Members of Legislative Assembly and insist on better building codes in Alberta, surfaced after the Government of Alberta's stopped its effort to build to code, new homes sold in Alberta could cost consumers over 30% more to heat and cool, than those being built in Ontario, B.C., Manitoba, and Nova Scotia. In most cases, energy efficiency upgrades can be paid for by the savings they generate. [Read on...](#)

NDP Supports Need for EcoEnergy Funding—Calls on NRCan to Build it into the Budget

The Leader of the New Democratic Party of Canada, the Hon. Jack Layton, is supporting the need to bring back the ecoEnergy retrofit program and build it back into the Ministry of Natural Resources Canada. In a recent letter sent from Layton to the Minister of Natural Resources Canada, Christian Paradis, Layton suggests that the Minister consider extending the deadline for the "second assessments" program. [Click here to read the full letter.](#)

Canadian Embassy in Santiago Chile Looking for International Collaboration on Energy Efficiency

The Chilean Government has launched an Agency for Energy Efficiency (www.ppee.cl) in an effort to improve energy efficiency in Chile.

The Canadian Embassy in Chile will be meeting with the Agency shortly to highlight Canadian expertise in the energy efficiency area, and has reached out to CEEA in an effort to reach institutions in Chile. Because of the unique situation in Chile (high energy prices, low domestic supply, government committed to efficiency) the Embassy believes that Chile could present a great opportunity for Canada.

The Embassy would also like to encourage more Canadian participation in this market at activities such as Expo Efficiency, a trade fair with a focus on energy efficiency (www.expoeficienciaenergetica.cl). For more information, please contact:

Richard York
Trade Commissioner | Délégué commercial
Embassy of Canada | Ambassade du Canada
richard.york@international.gc.ca
Telephone | Téléphone: (56-2) 652-3856
Facsimile | Télécopieur: (56-2) 652-3915
Nueva Tajamar 481, Piso 12, Torre Norte
Las Condes, Santiago, Chile
www.tradecommissioner.gc.ca/ci/ | www.deleguescommercial.gc.ca/ci/
Foreign Affairs and International Trade Canada | Affaires étrangères et Commerce international Canada
Government of Canada | Gouvernement du Canada

Demand-Side Energy Management Programs are a Growing Segment of the Energy Industry and the National Economy

Energy-saving programs that are administered by utilities are a rapidly growing sector of the demand-side management industry and comprise a growing sector of the economy that measurably reduces energy consumption.

[Read on](#)

IEA Policy Pathway: Energy Performance Certification of Buildings

Buildings currently account for 40% of energy use in most countries, putting them among the largest end-use sectors. The International Energy Agency (IEA) has identified the building sector as one of the key areas for energy efficiency improvement. The IEA Policy Pathway series aims to guide policy makers and relevant stakeholders on the essential steps in implementing building energy certification programmes.

[Read on](#)

How to Make Energy Efficiency Affordable

By Elisa Wood

Energy efficiency is a tortoise in the green energy race. Not glamorous like solar, wind or smart grid, it tends to plod along in the back of the pack, attracting little media attention. But being last can be a good thing. Such is the case when it comes to financing. EE is beginning to borrow from strategies that have spurred tremendous growth for solar and other energy resources. These include customer aggregation, peer-to-peer energy trading and energy efficiency financing. Consider the transaction that Metrus Energy (<http://metrusenergy.com>), an EE developer and financier, announced in December with defense manufacturer BAE Systems, Siemens Industry and Bank of America.

[Read on](#)

The 13th Canadian Conference on Building Science & Technology

Winnipeg, Manitoba | May 10 to 13, 2011

The *Canadian Conference on Building Science and Technology* provides a forum for the presentation, discussion and sharing of practical building science research, knowledge and field experience. [Read on](#)

MEMBER NEWS

We would like to highlight energy efficiency news from our member organizations. Member energy efficiency efforts will be posted in our CEEA e-news and on our website—under our Resources section.

On the Move

President of the Canadian Home Builders' Association (CHBA), and a long time friend of CEEA, Victor Fiume, is leaving his position as General Manager of Durham Custom Homes.

His belief and commitment to energy efficiency has been demonstrated in the homes he was responsible for building.

On behalf of CEEA, we wish Victor best of luck in his future endeavours!

APPENDIX C

2009

CANADIAN
Energy Efficiency Alliance

L'Alliance de l'Efficacité Énergétique

DU CANADA

NATIONAL ENERGY EFFICIENCY REPORT CARD

8th Annual Report Card on Canadian Government Activities



HIGHLIGHTS

- Manitoba, Ontario, and Quebec Score an A+
- Federal Government Scores a B+
- Alberta, PEI, and Nunavut are Recognized as the Most Improved in Energy Efficiency Activities
- All Jurisdictions Receive a Passing Grade!

A DECADE OF PROGRESS

The 2009 *National Energy Efficiency Report Card* marks the tenth year that the CEEA has been evaluating Canadian government activities and the first year that all fourteen jurisdictions have received grades ranging from A+ to C-, a significant improvement from the 1999 *Report*.

INSIDE

- Report Card Final Grades
- Regional Breakdown

CEEAA'S 2009 NATIONAL ENERGY EFFICIENCY REPORT CARD

WHAT THE JURISDICTIONS ARE DOING

MANITOBA

Manitoba has been a leader in driving energy efficiency initiatives across Canada since 1989. They have committed themselves to a 20% increase in energy efficiency by 2020. In the last two years they've added water conservation requirements to the Manitoba Building Code and Plumbing Code, they've begun to establish mandatory requirements for the energy performance of products, developed Power Smart programs through Manitoba Hydro that have helped to increase energy efficiency awareness with consumers, and they have a strong Green Building Policy. Overall, they have maintained their A+ standing because they continue to take a progressive approach to including energy efficiency in their policies, programs, and provincial initiatives.

ONTARIO

Ontario's introduction of the Green Energy and Economy Act (GEA) in 2009, has highly influenced the province's A+ standing in CEEA's 2009 Report Card. Some other reasons for the high grade include: large-scale funding for home energy audit and retrofit programs, provincial support for adding energy efficiency as a core objective of the National Building Code of Canada and the Ontario Building Code. They also provide direction to the Ontario Energy Board to ensure that electricity and natural gas distributors undertake conservation programs such as the Smart Meter initiative (which has seen 3.4 million smart meters installed and approximately 347,000 Ontario homes on time-of-use pricing), and they are undertaking conservation measures in government-owned buildings. Their Feed-in-Tariff program ("FIT") encourages the development of renewable energy on a significant scale. With regards to transportation, they are spending \$1 billion in municipal infrastructure investments, and have initiated various programs such as Drive Clean, HOV lanes, Go Transit improvements, and more, and they are greening their own government vehicle fleets. They also have extensive program evaluation measurements in place to look at OPA's programs, and the Environmental Commissioner of Ontario (ECO) reports annually on Ontario activities to the Ontario Legislature, and Natural Gas programs are evaluated by independent evaluators.

QUEBEC

Quebec continues to show a very strong commitment to energy efficiency. Their Climate Change Action Plan (2006-2012) is comprised of over twenty programs aimed at reducing Greenhouse Gas emissions. Over \$660 million have been committed to support over 1,200 projects submitted within the framework of their plan. They have invested heavily in infrastructure, are encouraging the purchase of energy efficient vehicles (working with auto makers on pilot programs for electric vehicles), and are greening their own government fleets. Their buildings are being LEED and BOMA BEST certified, saving them over two million gigajoules of energy in 2008, representing over \$34 million a year in savings and 165,000 tonnes of CO₂. And they have their objectives measured and evaluated on an annual basis through their Progress Report of the 2007-2010 Global Plan on Energy Efficiency and Emerging Technologies. Overall, Quebec, is moving energy efficiency on all fronts, continuing to increase consumer awareness and are rapidly attaining their provincial energy efficiency goals.

BRITISH COLUMBIA

British Columbia has done extremely well on the energy efficiency front over the last several years. They've invested significantly in energy efficiency programs designed to lower demand—thus lessening the requirement for building new generation facilities, or importing power from outside the province. Their largest program, the LiveSmart Efficiency Incentive Program for residential, commercial, low-income, and super-efficient buildings, has contributed to their current standing. They are also very progressive on their transportation initiatives, running SCRAP-IT, a successful vehicle recycling program. They've demonstrated leadership by planning to be carbon neutral by 2010, and they've developed a carbon tax that is revenue neutral and is intended to drive reductions in carbon emissions across the economy. Building codes and product standards are one of the most effective means of becoming more energy efficient and BC has been a leader in this area for many years.



ALBERTA

Alberta's higher score can be attributed to their increased commitment to energy efficiency over the last two years. Their Climate Change Strategy, which is committing to a GHG reduction target of 50 mega tonnes by 2020 and 200 mega tonnes by 2050, has been put into place. They are now considering energy efficiency in their building codes—a step in the right direction—however, more attention to higher standards and stricter enforcement could have significantly improved their grade beyond the B+ they received. The creation of a Municipal Climate Change Action Plan to help their municipalities achieve higher energy efficiency is proving effective. They also ranked highly in their leadership initiatives, since they have adopted a green building policy for new construction of government-owned facilities, and included sustainable procurement guidelines for energy and water use. As their commitment to energy efficiency appears to be genuine, and as they increase their amount of energy efficiency programs, CEEA expects Alberta to quickly rise to the head of the class in the coming years.

NEW BRUNSWICK

New Brunswick's higher score can be attributed to the aggressive targets established in its Climate Change Action Plan: to reduce greenhouse gas emissions to 1990 levels by 2012, a 2.2 million tonnes reduction in GHG and 10% below 1990 levels by 2020. They are focusing on energy efficient vehicle procurement and are carrying out anti-idling policies. They have introduced various Energy Efficiency Awareness Campaigns increasing public awareness and are leading by example by investing over \$300 million in green building construction in the current year. They have some progressive policies such as the New Brunswick Developer's Guide to Renewable Energy to help developers understand and use the development and approval process. Overall, New Brunswick continues to show great improvement on the energy efficiency front.












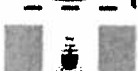


FEDERAL GOVERNMENT

The Federal Government's grade improvement can be attributed to their ecoENERGY retrofit program, which is estimated to have saved 11.22 peta joules of energy annually, with an estimated savings of \$339 million to consumers who participated and a reduction of over 740,000 tonnes of GHG (up to February 2010), while the program has been closed to new participants, those registered have until March 2011 to claim their rebates. Overall the Federal Government exhibited great leadership and commitment to energy efficiency over the last two years. They have, and are supporting changes to the Building Code, they're making sure their buildings meet LEED's Gold level, and they have invested over \$960 million between 2007 and 2011 to promote smarter energy use by the Canadian consumer through the ecoENERGY Efficiency Initiative. They have introduced the Energy Efficiency Act and associated regulations. NRCan has invested approximately \$500,000 in standards development support in the last year—and while significant—CEEAA hopes for increased funding in the future for standards. With regards to transportation, they have

invested \$21 million over four years in helping Canadians choose the most fuel efficient vehicles, efficient driving, and maintenance habits to reduce fuel consumption through their ecoENERGY for Personal Vehicles programs. They have also built awareness for energy efficiency through the Office of Energy Efficiency, and they have the NRCan's Audit and Evaluation Branch conducting evaluations of selected programs each year to ensure that the programs are meeting their targets in a cost-effective manner. CEEAA continues to encourage the federal government to show leadership in the field of energy efficiency.

CEEAA'S 2009 NATIONAL ENERGY EFFICIENCY REPORT CARD

FINAL GRADES

| | Jurisdiction | 2009 | 2007 | 2005 | 2004 | 2002 |
|---|---------------------------|------|------|------|------|------|
|  | Manitoba | A+ | A+ | A | A | B- |
|  | Ontario | A+ | A | B+ | C- | C |
|  | Quebec | A+ | A | B | B+ | A |
|  | British Columbia | A | A+ | B | B | B |
|  | Alberta | B+ | D+ | D+ | D+ | C+ |
|  | Federal Government | B+ | B | A | A- | A- |
|  | New Brunswick | B+ | B- | C+ | B+ | B |
|  | Nova Scotia | B+ | B+ | B- | B | B |
|  | Nunavut | B | C | D | D- | N/A |
|  | Prince Edward Island | B | D | C+ | B+ | B |
|  | Yukon | B | B- | B+ | A- | A |
|  | Saskatchewan | B- | B+ | B- | C | D |
|  | Northwest Territories | C | B+ | C | N/A | A- |
|  | Newfoundland and Labrador | C- | D+ | D | F | D |



| 2001 | 2000 | 1999 | Comments |
|------|------|------|--|
| C- | C+ | C+ | Manitoba has continued to show leadership in their energy efficiency initiatives. Overall, they have maintained their A- standing because they continue to take a progressive approach to including energy efficiency in their policies, programs, and provincial initiatives. |
| D+ | C+ | C | Ontario's introduction of the Green Energy and Economy Act (GEA) in 2009, has highly influenced the province's A- standing. Energy efficiency is truly a priority for Ontario. |
| A- | B+ | B- | Overall, Quebec, is moving energy efficiency on all fronts, continuing to increase consumer awareness as they move toward rapidly attaining their provincial energy efficiency goals. |
| B- | C- | N/A | Building codes and product standards are one of the most effective means of becoming more energy efficient and British Columbia has been a leader in this area for many years. However, energy efficiency benchmarks across the top provinces are constantly being raised and BC needs to ensure that they can keep up with the competition. |
| C- | C | D | Alberta's higher score can be attributed to their increased commitment to energy efficiency over the last two years. As they increase their amount of energy efficiency programs, CEEA expects Alberta to quickly rise to the head of the class in the coming years. |
| B+ | B | B+ | The federal government's grade improvement can be attributed to their ecoENERGY retrofit program, which ran from April 2007 to March 2011, and was estimated to have saved 11.22 peta joules of energy annually, with an estimated savings of \$339 million to consumers who participated, and a reduction of over 740,000 tonnes of GHG (up to February 2010) |
| B | B- | C- | New Brunswick's higher score can be attributed to the aggressive targets established in its Climate Change Action Plan: to reduce greenhouse gas emissions to 1990 levels by 2012, a 2.2 million tonnes reduction in GHG and 10% below 1990 levels by 2020. |
| B- | C | B+ | Even with a change in government structure, Nova Scotia has managed to maintain their commitment to energy efficiency. Their aim is to have one of the cleanest and most sustainable environments in the world by 2020 by reaching the goals set out for the province in their Environmental Goals and Sustainable Prosperity Act. |
| N/A | N/A | N/A | Since the introduction of their Energy Strategy in September 2007 Nunavut has seen constant improvement in their energy efficiency initiatives. With energy costing an average of \$0.70/kWh, the motivation and economic incentive is there! |
| B | B- | C- | Prince Edward Island has come a long way since 2007. Although they are only two years into their ten year PEI Energy Strategy, they are doing extremely well increasing energy efficiency throughout the province. |
| A- | A- | C- | Although the Yukon Territory is at a disadvantage on the energy efficiency front (buildings heated by oil, some diesel generation of electricity on small isolated grids), they have put forward a solid effort to become more energy efficient |
| F | F | D- | Saskatchewan's slightly lower score can be attributed to the fact that Energy Efficiency for Houses and Buildings is not yet referenced in its building codes |
| B+ | C+ | C | Although the Northwest Territories are moving in the right direction, initiating an Energy Plan and Greenhouse Gas Strategy, they have yet to create their own Building Code (currently relying solely on the National Building Code which falls in its energy efficiency objectives-- particularly in northern climates). |
| D+ | C | C+ | Overall, Newfoundland and Labrador have demonstrated a stronger energy efficiency commitment, although they are still at the beginning stages of project/program implementation. With the potential to export more energy, Newfoundland and Labrador should look to Manitoba for an effective economic model. |

CEEAA'S 2009 NATIONAL ENERGY EFFICIENCY REPORT CARD

WHAT THE JURISDICTIONS ARE DOING *cont'd*

NOVA SCOTIA

Even with a change in government structure, Nova Scotia has managed to maintain their commitment to energy efficiency. They have committed to enhance their National Building Code for Buildings by 25% by 2011, have changed their Building Code Regulations to include energy efficiency requirements (EnerGuide for Houses 80), and all new government buildings must meet the minimum LEED Silver energy and water standards. They have built a strong awareness campaign to change consumer behaviour, driven by Conserve Nova Scotia. They are also investing heavily in Demand Side Management programs that promote increased energy efficiency. They have nearly twenty transportation energy efficiency/GHG reduction programs in place and they have developed a Sustainable Procurement Policy for government procurement. Their aim is to have one of the cleanest and most sustainable environments in the world by 2020 by reaching the goals set out for the province in their Environmental Goals and Sustainable Prosperity Act. Nova Scotia is poised to set a new standard for other provinces to follow.

NUNAVUT

Since the introduction of their Energy Strategy in September 2007 Nunavut has seen constant improvement in their energy efficiency initiatives. They have begun to adopt an enhanced Energy Code for Buildings, are retrofitting old government buildings to make them more efficient and they are looking for clean energy alternatives to reduce their reliance on imported fossil fuels. They are also putting into place a Green Procurement Policy to assist in the procurement of energy efficient goods. Overall, Nunavut is showing increased improvement on their commitment to energy efficiency.

PRINCE EDWARD ISLAND

Prince Edward Island has come a long way since 2007. Although they are only two years into their ten year PEI Energy Strategy, they are doing extremely well in increasing energy efficiency throughout the province. They have already reduced household energy consumption by 20% through their energy efficiency household programs (offered through the PEI Office of Energy Efficiency). They are committing to implement province-wide building code and energy standards. They are implementing California-like vehicle emission standards, and ensuring that all public transit vehicles are energy efficient. They've built consumer energy efficiency awareness through the PEI Office of Energy Efficiency. They will be adopting an environmental procurement policy, and putting policies in place to increase their wind energy generation to 500 MW by 2013. And they have measurements in place to evaluate their energy efficiency initiatives. PEI is proving to be a small and powerful player in the race to be an energy efficient province!

YUKON

Although the Yukon Territory is at a disadvantage on the energy efficiency front (buildings heated by oil, some diesel generation of electricity on small isolated grids), they have put forward a reasonable effort to become more energy efficient. Investing over \$25 million in energy efficient programs and projects in the 2008-2009 time period, Yukon's Climate Change Action Plan includes ensuring that all government buildings are LEED certified, and implementation of home audits and retrofit programs to allow homeowners to become more energy efficient. They have established The Energy Solutions Centre, a store front operation to promote their energy efficiency initiatives to consumers. They do not have an Energy Act, however they are working with other provinces through various collaborative working groups to support energy efficiency changes to the National Building Codes and Standards. In the transportation sector, they are running voluntary vehicle testing clinics in Whitehorse, and all government fleet vehicles must be energy efficient. They also continually monitor their programs to ensure their energy efficiency targets are being met. Overall Yukon is moving in the right direction.



SASKATCHEWAN

Saskatchewan has recently passed The Management and Reduction of Greenhouse Gases Act (2010) which includes a GHG emission reduction target of 20% below 2006 levels by 2020. Over the last two years they will have spent over \$50 million to fund their current energy efficiency and GHG reduction programs, investing heavily in low-carbon energy generation technologies and green technologies. They have adopted green building policies for new construction and retrofitting of government-funded facilities, meeting LEED Silver certification. However, the province does not yet reference the Model National Energy Code for Houses or the Model National Energy Code for Buildings in its building codes. With regards to transportation, they have numerous incentive programs in place to reduce fuel consumption and have introduced a Green Fleet initiative for their own vehicles. They have developed a successful Go Green Fund awareness program for housing energy efficiency, solar heating, and renewable energy, in partnership with SaskEnergy, SaskPower, and others. And in 2009 they signed a Canada/Saskatchewan equivalency program to allow Saskatchewan to administer its climate change plan under provincial regulation to achieve equivalent or better environmental outcomes than under the federal plan.

NORTHWEST TERRITORIES

Northwest Territories have committed to reducing greenhouse gas emissions from government operations 10% below 2001 levels by the year 2011. They have initiated an Energy Plan and Greenhouse Gas Strategy, however, they have yet to create their own Building Code (currently relying solely on the National Building Code which fails in its energy efficiency objectives—particularly in northern climates). They are promoting energy efficiency efforts and programs through the Arctic Energy Alliance—whose effectiveness seems to be increasing year over year. With regards to energy efficiency policies, they have introduced the NWT Biomass Energy Strategy, and the NWT Greenhouse Gas Strategy, all moves in the right direction.

NEWFOUNDLAND AND LABRADOR

Over the last two years, Newfoundland and Labrador have concentrated their energy efficient efforts on the supply side, looking at alternative energy resources instead of energy conservation. They have implemented an Energy Plan which consists of twenty-three energy efficiency commitments, including a policy for improving energy efficiency in building codes and product standards (to be implemented in 2010). They are also working on getting government facilities LEED Silver certified. With regards to transportation, 50% of all government vehicles purchased thus far are energy efficient hybrid vehicles. They are administering various energy efficiency awareness programs, and have established the Office of Climate Change, Energy Efficiency and Emissions Trading (CCEET) to update the Climate Change Action Plan and to develop the province's first Energy Efficiency Strategy and GHG Reduction Strategy. They are reviewing their Energy Plan through an Energy Plan Progress Report, which is currently ongoing. Overall, Newfoundland and Labrador have demonstrated a stronger energy efficiency commitment, although they are still at the beginning stages of project/program implementation.

CEECA EXPECTATIONS

The benefits of energy efficiency and conservation are manifold. Lower utility bills, infrastructure improvements and generation of renewable energy creates a culture of sustainability. Through our efforts in this direction, jurisdictions can realize the need to create jobs, improve public health and reduce emissions.

CEECA expects that commitments to the goals of efficiency and conservation are demonstrated by those governments under our review in the form of program development, implementation and regulatory support.

This year's grades demonstrate a strong improvement across all the jurisdictions, and a commitment to energy conservation.



CEEA'S GRADING CRITERIA

| | |
|--|----------------|
| 1. Part A: Progress on Commitments by the Council of the Federation Part B: "Your plan---Your results." | Weighting: 30% |
| 2. Building Codes and Product Standards | Weighting: 20% |
| 3. Transportation | Weighting: 15% |
| 4. Awareness Building, Public Outreach, and Partnerships | Weighting: 15% |
| 5. Leadership Initiatives | Weighting: 10% |
| 6. Related Policy Developments | Weighting: 5% |
| 7. Evaluation | Weighting: 5% |

ABOUT US

The Canadian Energy Efficiency Alliance (CEEA) is a broad based not-for-profit organization. It is the leading non-government energy efficiency advocate in Canada. The CEEA was established in 1995 to respond to the lack of a coordinated multi-stakeholder effort to promote energy efficiency in Canada, leading to enhanced competitiveness and improved environmental protection.

The CEEA works in partnership with manufacturers, utilities, governments, builders, labour and consumer groups, and environmental organizations to facilitate the adoption of energy efficiency measures in Canada. The CEEA is supported through fees and project contributions from members.

Visit us at energyefficiency.org.

ACKNOWLEDGEMENTS

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CANADIAN
Energy Efficiency Alliance

L'Alliance de l'Efficacité Énergétique
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