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June 13, 2011

Ms. Walli
Board Secretary
Ontario Energy Board
PO Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Via: Electronic Filing

Dear Ms. Walli

**RE: Conservation and Demand Management Strategy
Addendum 1- Program Budget
EB-2010-0215**

Please find attached the requested Program Budget for the delivery of the CDM Programs as requested in the Board letter of February 18, 2011.

If we can provide any further information kindly contact us.

Yours truly,

Original signed by

Douglas Fee, P.Eng.
President

\\Orpc2\Reference Documents and Files\ORPC Files\Administration\A01-Assoc\OEB 2014 Conservation Targets\CDM Addendum 1.doc

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**Addendum 1 to the
Ottawa River Power Corporation**

Conservation and Demand Management Strategy 2011 to 2013

Background

On November 1, 2010 Ottawa River Power Corporation (ORPC) submitted a Conservation and Demand Management Strategy to the OEB as required by the Conservation and Demand Management Code of Electricity Distributors issued on September 16, 2010. The Strategy outlined ORPC's strategy for meeting the CDM targets mandated by the Ministry of Energy but did not provide any budget information inasmuch as the OPA was still in the process of program development and funding.

On November 23, 2010 ORPC was advised by the OEB that the submitted strategy for ORPC was incomplete and that an addendum with a perspective budget was to be submitted 21 days following the issuing by the OPA of their funding formula.

On May 20, 2011 the OEB notified LDC's that the OPA funding formula had been finalized and that the information requested in the November 23 letter was now required to be filed by June 13th. It was noted that budget figures for the Low Income Program do not need to be included. This addendum is submitted to meet that requirement.

Methodology

ORPC used the OPA Resource Planning Tool as a tool to estimate the participant level of the various programs and made adjustments based on past experience and local economic conditions.

No allowance was made for Tier 1 programs at this time. The OPA programs will allow ORPC to be close to the target load reductions and we plan to team with another LDC for Tier 1 that will suit our utility.

Program Budget

	PAB Portion	Total Budget
Consumer	\$182,629.80	\$182,630.00
Commercial/Industrial	\$266,534.90	\$1,260,060.00
Industrial	\$40,000	\$160,000.00
Low Income	N/A	N/A
Total	\$489,164.70	\$1,602,690.00

These proposed budget amounts are intended to provide an indication of the level of resources required to carry out the CDM program for ORPC for the 2011-2014 period to meet the assigned load reduction targets.

The final numbers maybe higher or lower dependent upon such factors as:

- Potential use of Tier 1 Programs in latter years of program period
- Details of program designs and the actual cost of delivery
- Actual program pickup for ORPC service area compared to provincial average used to develop the budget

OPRC will report to the OEB on an ongoing basis the performance relative to budget and advise the Board of any adjustments required to assure that the targets are met.

Submitted
June 13, 2011