



RP-2004-0203
EB-2004-0525

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an application by Burlington Hydro
Inc. for a Final Order Pre-approving its Conservation and
Demand Management Plan.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

George Dominy
Member

Cathy Spoel
Member

FINAL ORDER

Burlington Hydro Inc. (Burlington Hydro) has filed an application dated November 30, 2004 and amended on December 16, 2004 with the Ontario Energy Board for a Final Order pre-approving its Conservation and Demand Management (CDM) Plan. The Board assigned File No. RP-2004-0203 / EB-2004-0525 to this application.

A Notice of Application and Written Hearing was issued by the Board on January 11, 2005. Burlington Hydro served and published the Notice as directed by the Board. The intervention period expired on January 29, 2005. There are no intervenors.

On May 31, 2004, the Minister of Energy granted approval to all distributors in Ontario to apply to the Board for an increase in their 2005 rates by the third installment of their incremental market adjusted revenue requirement (MARR). This approval is conditional on a commitment to reinvest an equivalent amount in CDM initiatives.

On October 5, 2004, the Board issued a Procedural Order (the Procedural Order) which addressed the opening of deferral accounts; the recovery of development expenses; the process for applying for plan approval; and the filing requirements for plan approval. Pursuant to the Procedural Order all electricity distribution companies, including Burlington Hydro, received authorization to establish a deferral account.

The elements of Burlington Hydro's CDM Plan include: a distribution system improvement program, an accelerated interval meter replacement program, a 'Smart' meter pilot program, an in-house lighting retrofit program, a municipal new-building energy efficiency program, a municipal building energy efficiency retrofit program, a residential energy efficient appliance and equipment replacement program, a residential education and outreach program, a residential home developer program, a voluntary demand response program, a commercial and industrial customer education and outreach program, an energy efficient technology showcase program and the training and development of Burlington Hydro staff.

The total budget for the CDM plan is approximately \$2,157,862. This amount is consistent with the third installment of its incremental MARR.

The Board finds that the activities and programs proposed by Burlington Hydro qualify as conservation and demand management activities and that the planned investments are eligible for tracking in the deferral account.

The Board approves the expenditure of \$2,157,862 for implementation of the CDM Plan, which is consistent with the amount of the third installment of Burlington Hydro's incremental MARR.

The Board requires that Burlington Hydro file with the Board quarterly and annual reports on the progress of the initiatives included in the approved CDM Plan. The annual reports will be subject to public review.

The Board understands that the approved CDM Plan and the associated budget allocation to the individual programs may be subject to modifications. The Board requires that all modifications be identified in the quarterly and annual reports. In addition, Burlington Hydro shall apply to the Board for approval for modifications of spending above 20% of the approved budget.

IT IS ORDERED THAT:

1. Burlington Hydro Inc. is granted a final approval of the conservation and demand management plan as submitted for the Board's review in the application dated December 16, 2004. This investment satisfies the Minister of Energy's condition of a financial commitment to reinvest the equivalent of one year of incremental market adjusted revenue requirement in conservation and demand management. The approved total budget is \$2,157,862.
2. Burlington Hydro Inc. shall file with the Board quarterly and annual reports on the progress of the initiatives within its conservation and demand management plan.
3. The quarterly reports shall be filed no later than 30 days after the end of each calendar quarter.
4. The annual reports shall be filed no later than March 31 of the following year. The annual reports shall be subject to public review. The annual report shall include a cost benefit analysis on the program included in the conservation and demand management plan.
5. Burlington Hydro Inc. shall apply to the Board for approval if cumulative fund transfers among programs exceed 20% of the approved budget.
6. Burlington Hydro Inc. may credit the costs of preparing its conservation and demand management application and participation in the hearing including

intervenor and Board costs against the amount required to be spent on its conservation and demand management plan budget.

DATED at Toronto, February 17, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary