

1           **IN THE MATTER OF** the Ontario Energy Board Act, 1998, being  
2           Schedule B to the Energy Competition Act, 1998, S.O. 1998, c.15;

3           **AND IN THE MATTER OF** an Application by Milton Hydro  
4           Distribution Inc. to the Ontario Energy Board for an Order or  
5           Orders approving or fixing just and reasonable rates and other  
6           service charges for the distribution of electricity as of May 1, 2013;

7           **AND IN THE MATTER OF** the Ontario Energy Board's Decision  
8           dated April 4, 2013, File Number EB-2012-0148.

9  
10           **MILTON HYDRO DISTRIBUTION INC. ("Milton Hydro")**

11           **APPLICATION FOR APPROVAL OF 2013 ELECTRICITY**

12                   **DISTRIBUTION RATES**

13                   **NOTICE OF MOTION TO VARY**

14                   **File No. EB-2013-0193**

15           **PROCEDURAL ORDER No. 1– ADDITIONAL MATERIAL**

16  
17                   **Filed: May 22, 2013**

18  
19           Cameron McKenzie  
20           Director, Regulatory Affairs  
21           Milton Hydro Distribution Inc.  
22           8069 Lawson Road  
23           Milton, Ontario  
24           L9T 5C4  
25  
26           Tel: (289) 429-5212  
27           cameronmckenzie@miltonhydro.com

28

1           **APPLICATION FOR APPROVAL OF 2013 ELECTRICITY DISTRIBUTION RATES**

2   **NOTICE OF MOTION TO VARY**

3   **PROCEDURAL ORDER No. 1 – ADDITIONAL MATERIAL**

4  
5       **The Notice of Motion To Vary (the “Motion”)**

6       The Motion seeks to vary the Ontario Energy Board’s (“OEB”) EB-2012-0148 Decision and  
7       Order to permit Milton Hydro Distribution Inc. (“Milton Hydro”) to recover a Lost Revenue  
8       Adjustment Mechanism (“LRAM”) amount of \$107,762, for 2010 CDM programs persistent  
9       into 2011 and 2012. The grounds for the Motion are that the OEB made its Decision based  
10      on errors in fact and there is therefore a question of correctness. The Motion alleges that the  
11      OEB failed to take into consideration the facts presented in its 2011 Cost of Service Rate  
12      Application and IRM3 Application EB-2012-0148 in relation to Milton Hydro’s responses to  
13      Board staff and intervenor interrogatories and Milton Hydro’s submission.

14  
15      **Proposed Method of Hearing and Recovery**

16      Milton Hydro has proposed that the Motion be heard by way of a written hearing and that the  
17      LRAM claim be recovered through a class specific rate rider over a one year period.

18  
19      **Procedural Order No. 1**

20      The OEB issued Procedural Order No. 1 (“P.O. No.1”) on May 14, 2013 to hear submissions  
21      on the threshold question of whether the matter should be reviewed (as contemplated in the  
22      Board’s *Rules of Practice and Procedure*). The P.O. No.1 provides for Milton Hydro to file  
23      with the OEB and to deliver to VECC any additional material in support of its Motion.

24      Therefore, Milton Hydro will not resubmit the evidence provided in its 2013 IRM Rate  
25      Application, its responses to interrogatories, its Reply Submission and its Notice of Motion, all  
26      of which has been previously filed with the OEB. Milton Hydro respectfully requests that the  
27      OEB consider all the evidence previously filed in addition to the material filed in response to  
28      this P.O. No.1.

1    **Addition Material**

2       1)     On July 18, 2003 the Minister of Energy (the “Minister”), [note: any reference to the  
3             Minister refers to the Minister of the day] issued a Directive to the OEB to promote  
4             energy conservation, energy efficiency and load management. The Directive is  
5             attached as Appendix A. The Directive specifically stated:

6                     “1. The Board shall consult with stakeholders to identify and review options  
7                     for the delivery of demand side management and demand response  
8                     activities within the electricity sector, as well as the role that local  
9                     distribution companies have in such activities. The Board shall report back  
10                    to the Minister with analysis and recommendations on how demand side  
11                    management and demand response activities could be implemented in  
12                    Ontario's electricity sector in both the short and long term, in a manner that  
13                    balances implementation costs with the benefits to both customers and to  
14                    the entire system, by no later than March 1, 2004.

15                    2. The Board shall, in conducting its above-noted review and analysis of  
16                    demand side management and demand response options, include an  
17                    examination of the potential role of local distribution companies,....”

18       2)     In response to the July 18, 2003 Ministerial Directive, noted above, the OEB  
19             issued its Report of the Board to the Minister of Energy titled Demand-Side  
20             Management and Demand Response in the Ontario Electricity Sector dated March  
21             1, 2004. In the OEB Report under section 2.2.3 The Need for Revenue Protection,  
22             the OEB stated:

23                    “The Ontario Energy Board will examine regulatory mechanisms to protect  
24                    distributors against distribution system load reductions associated with  
25                    conservation.

26                    The Board is of the view that distributors need protection from revenue  
27                    erosion due to conservation activities. The Board will determine an

1 appropriate method for revenue protection as part of its review of electricity  
2 distribution PBR.”<sup>1</sup>

- 3 3) On July 13, 2006 the Minister issued a Directive to the Ontario Power Authority  
4 (“OPA”) under subsection 25.32 (4) of the Electricity Act, 1998 (“the Act”), in order  
5 to direct the OPA to assume responsibility to coordinate and fund the delivery of  
6 electricity conservation and demand-side management (“CDM”) programs by local  
7 distribution companies (LDCs) in Ontario.

8 In that Directive, the Minister was clear that the OEB was to continue its efforts to  
9 reduce the barriers to CDM activities including decreases in revenues due to  
10 LDC’s conservation programs. Milton Hydro has attached the Ministerial Directive,  
11 dated July 13, 2006, as Appendix B and highlighted the following statement under  
12 the Funding section of the Directive which states:

13 “5. The OPA should support the Ontario Energy Board in its continuing  
14 efforts to reduce barriers to CDM including decreases in revenues due to  
15 LDC’s conservation programs.”

- 16 4) Milton Hydro has also attached, as Appendix C, the Minister’s Directive dated  
17 March 31, 2010 referenced in Milton Hydro’s Motion and highlighted the section  
18 12, addressing lost revenue as a disincentive to the implementation of CDM  
19 programs, for the OEB’s convenience.

- 20 5) The March 2, 2007 Report of the Board on the Regulatory Framework for  
21 Conservation and Demand Management by Ontario Electricity Distributors in 2007  
22 and Beyond, EB-2006-0266 and the OEB Guidelines for Electricity Distributor  
23 Conservation and Demand Management, EB-2008-0037 where developed under  
24 the July 13, 2006 Ministerial Directive, provided above as Appendix B. It was the  
25 expectation of the Minister, through its Directives, that distributors have an  
26 important role in CDM activities and lost revenues should not be a disincentive to

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<sup>1</sup> Section 2.2.3 The Need for Revenue Protection, page 14 & 15 of the Report of the Board to the Minister of Energy – Demand-Side Management and Demand Response in the Ontario Electricity Sector dated March 1, 2004.

1 implementing CDM programs. Both the Report of the Board and the Guidelines  
2 provide for LRAM recovery.<sup>2</sup> & <sup>3</sup>

3  
4 **Conclusion**

5 Disallowing Milton Hydro's LRAM claim completely contradicts both the Directives issued by  
6 the Minister to ensure revenue protection during the implementation of CDM programs, the  
7 OEB's March 1, 2004 Report to the Minister of Energy, referenced above, and the OEB CDM  
8 Guidelines available at the time of Milton Hydro's filing of its Cost of Service Application.

9 Milton Hydro submits that both OEB Staff and VECC have ignored the facts provided by  
10 Milton Hydro and have based their submissions solely on the word "explicit" not being  
11 included in Milton Hydro's 2011 Cost of Service Application.

12 The OEB Decision is based on a single sentence in Milton Hydro's Cost of Service  
13 Application and ignores the remainder of Milton Hydro's evidence and in particular the  
14 detailed explanation of the forecast methodology and distribution revenue as provided in  
15 Exhibit 3 – Operating Revenue of Milton Hydro's Cost of Service Application. This results in  
16 the OEB decision being based on an assumption and not based on the facts provided in  
17 Milton Hydro's Applications and interrogatory responses.

18 Milton Hydro submits that the OEB has erred in its Decision to disallow Milton Hydro's LRAM  
19 claim by ignoring the facts provided in Milton Hydro's Cost of Service Application and in  
20 particular the twenty-nine (29) references to the 2001 Actual and 2009 Actual customer class  
21 data as evidence of the data used in the calculation of Milton Hydro's 2011 load forecast. By  
22 disallowing Milton Hydro's LRAM claim for the persistence of the 2010 CDM programs into  
23 2011 and 2012 the OEB has not complied with the Ministerial Directives and its own CDM  
24 Guidelines available at the time Milton Hydro filed its 2011 Cost of Service Application  
25 thereby resulting in lost distribution revenue to Milton Hydro due to the implementation of  
26 OPA CDM programs.

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<sup>2</sup> Conclusions, page 9 of the March 2, 2007 Report of the Board on the Regulatory Framework for Conservation and Demand Management by Ontario Electricity Distributors in 2007 and Beyond, EB-2006-0266.

<sup>3</sup> Section 5, Lost Revenue Adjustment Factor (LRAM), page 18 of the Guidelines for Electricity Distributor Conservation and Demand Management, EB-2008-0037.

1 Milton Hydro submits that the additional material provided above through Ministerial  
2 Directives, OEB Reports and in the following Appendices **plus** all the evidence previously  
3 filed with the OEB, supports Milton Hydro's Notice To Vary the OEB Decision on Milton  
4 Hydro's LRAM claim and that Milton Hydro has met the OEB's Threshold Question and  
5 therefore the Motion should be heard.

6 Milton Hydro would also recommend that if the OEB is in doubt as to the applicability of  
7 LRAM for 2010 CDM programs not included in 2011 Cost of Service Load Forecasts and  
8 therefore persistent until an updated load forecast is approved by the OEB, that the OEB  
9 request direction from the Minister of Energy. Alternatively, Milton Hydro could seek  
10 clarification from the Minister of Energy as to the applicability of LRAM for recovery of lost  
11 revenue resulting from the implementation of Milton Hydro's 2010 OPA CDM programs.

12

13 Respectfully submitted this 22<sup>nd</sup> day of May 2013.

14

15 *Original signed by Cameron McKenzie*

16

17 Cameron McKenzie, CGA

18 Director, Regulatory Affairs

19 Milton Hydro Distribution Inc.

## **Appendix A**

**Minister Directive July 18, 2003**

**Minister of Energy**

Hearst Block, 4<sup>th</sup> Floor  
900 Bay Street  
Toronto ON M7A 2E1

Tel: 416 327-6715  
Fax: 416 327-6754

**Ministre de l'Énergie**

Édifce Hearst, 4<sup>e</sup> étage  
900, rue Bay  
Toronto ON M7A 2E1

Téléphone: 416 327-6715  
Télécopieur: 416 327-6754



June 18, 2003

**RECEIVED**

**JUN 18 2003**

**CHAIR  
ONTARIO ENERGY BOARD**

Mr. Paul Vlahos  
Interim Chair  
Ontario Energy Board  
Suite 2601  
2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

Dear Mr. Vlahos:

Enclosed is a copy of a Minister's Directive issued under Section 27.1 of the *Ontario Energy Board Act, 1998* recently approved by the Lieutenant Governor in Council. The Order in Council is dated June 4, 2003. The Directive requires the Board to consult with stakeholders to identify and review options for the delivery of demand side management and demand response activities within the electricity sector. The Directive also requires the Board to report back to the Minister of Energy with the results of their review and analysis by no later than March 1, 2004.

I would appreciate the Board proceeding to take the appropriate steps to implement the attached directive.

Sincerely,

A handwritten signature in black ink, appearing to read "John Baird".

John Baird, MPP  
Minister

Enclosure





Ontario  
Executive Council  
Conseil des ministres

Order in Council  
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit :

**WHEREAS** Energy conservation, energy efficiency and load management contribute to meeting Ontario's energy needs and protecting the environment. Properly structured, demand side management and demand response initiatives can help consumers to conserve energy or move energy use from peak to off peak time periods in a cost effective manner. These activities can also further the interests of consumers by mitigating market volatility and contributing to system reliability and market efficiency.

**AND WHEREAS** it is desirable to manage demand for electricity in Ontario in order to reduce the province's reliance on external sources and to make more efficient use of the current supply of electricity.

**AND WHEREAS** it is desirable that such demand management and demand response initiatives be facilitated and supported by a regulatory framework.

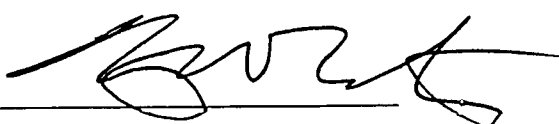
**AND WHEREAS** the Minister may, with the approval of the Lieutenant Governor in Council, issue directives under section 27.1 of the *Ontario Energy Board Act, 1998* to promote energy conservation, energy efficiency and load management.

**NOW THEREFORE** the Directive attached hereto, is approved.

Recommended:   
Minister of Energy

Concurred:   
Chair of Cabinet

Approved and Ordered JUN - 4 2003  
Date

  
Administrator of the Government

## MINISTER'S DIRECTIVE

**TO: THE ONTARIO ENERGY BOARD**

I, John Baird, Minister of Energy, hereby direct the Ontario Energy Board (the "Board") to take the following steps under section 27.1 of the *Ontario Energy Board Act, 1998* (the "Act") to promote energy conservation, energy efficiency and load management:

1. The Board shall consult with stakeholders to identify and review options for the delivery of demand side management and demand response activities within the electricity sector, as well as the role that local distribution companies have in such activities. The Board shall report back to the Minister with analysis and recommendations on how demand side management and demand response activities could be implemented in Ontario's electricity sector in both the short and long term, in a manner that balances implementation costs with the benefits to both customers and to the entire system, by no later than March 1, 2004.
2. The Board shall, in conducting its above-noted review and analysis of demand side management and demand response options, include an examination of the potential role of local distribution companies, retailers and other market participants as load aggregators within the Independent Electricity Market Operator's administered markets.



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Minister of Energy

JUN - 4 2003

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Date

## **Appendix B**

**Minister Directive July 13, 2006**

JUL 13 2006

**Minister of Energy**

Hearst Block, 4th Floor  
900 Bay Street  
Toronto ON M7A 2E1  
Tel.: 416-327-6715  
Fax: 416-327-6754

**Ministre de l'Énergie**

Édifice Hearst, 4e étage  
900, rue Bay  
Toronto ON M7A 2E1  
Tél.: 416-327-6715  
Télééc.: 416-327-6754



July 13, 2006

Dr. Jan Carr  
Chief Executive Officer  
Ontario Power Authority  
1600-120 Adelaide Street West  
Toronto, Ontario  
M5H 1T1

Dear Dr. Carr:

Subject: Coordination and Funding of LDC activities to deliver Conservation and Demand-Side Management Programs

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I write pursuant to the statutory power of Ministerial direction which I have in respect of the Ontario Power Authority (the OPA), under subsection 25.32 (4) of the *Electricity Act, 1998* (the Act), in order to direct the OPA to assume responsibility to coordinate and fund the delivery of electricity conservation and demand-side management (CDM) programs by local distribution companies (LDCs) in Ontario.

As Minister of Energy, I wrote to all LDCs on May 31, 2004 to encourage them to initiate CDM activity in their service territories. I also asked the Ontario Energy Board (OEB) to establish a process to fund those activities. LDCs submitted plans for about \$163M worth of CDM projects to be initiated in a three year period, not to exceed September 30, 2007 (Third Tranche funding).

Over the past six months, this ministry convened the Electricity Conservation Working Group to discuss issues regarding CDM delivery by LDCs once the Third Tranche funding has been exhausted or expired.

The Ministry of Energy subsequently undertook an initiative to establish a program from which LDCs could secure funds to continue delivering conservation and demand management programs after the expiry of the \$163 million pool of funds. Such a fund would have as its aims to:

.../cont'd

- Provide stable and secure funding to LDCs over a three year period; and,
- Improve coordination and accountability for LDC CDM programs by establishing clear funding guidelines and reporting requirements.

Therefore, pursuant to the authority granted to me under subsection 25.32(4) of the Act, I hereby direct the OPA to assume, as of the date of this letter, responsibility for organizing the delivery and funding of CDM programs through LDCs in Ontario in accordance with the following guidelines. I expect the OPA to carry out any necessary processes to acquire the increased resources required to meet this objective.

### Principles

1. The objective of funding CDM programs is to assist the Government of Ontario in achieving its goals in electricity conservation and demand management.
2. LDCs have a legitimate and unique role in CDM delivery. They should be key conservation delivery agents, helping to grow the culture of conservation.
3. Funding to LDCs should be secure, stable and multi-year.
4. The Conservation Bureau will manage the overall CDM program design and the measurement and verification of results.
5. The relationship between the OPA and LDCs will be managed contractually.

### Funding

1. The OPA will begin organizing the delivery and funding of CDM programs through LDCs immediately, with implementation of funding to occur in the earliest practical timeframe.
2. The funding will be limited to a total of \$400 million over three consecutive years.
3. Funds will be collected under the "Global Adjustment Mechanism" to the approved level. LDCs would contract to deliver programs funded by an OPA-administered LDC fund on a non-competitive basis in their territory.
4. These funds will not include provisions for smart meters.
5. The OPA should support the Ontario Energy Board in its continuing efforts to reduce barriers to CDM including decreases in revenues due to LDC's conservation programs.

### Delivery and Oversight

It is expected that:

1. The OPA will, in consultation with LDCs and the Ministry, develop prudent guidelines to follow when contracting for CDM programs with LDCs.

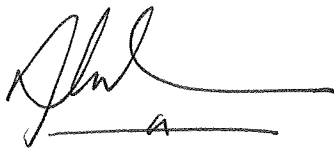
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2. The OPA will design a standard set of programs that LDCs can contract to deliver in their service territories, which may include consumer awareness and education programs, market capacity building, and market transformation programs.
3. LDCs may submit CDM proposals to the OPA and the OPA will accept, reject or modify those proposals.
4. OPA will ensure that all areas of the province have access to an appropriate set of CDM programs. To achieve this purpose, the OPA may directly or through a third party deliver CDM programs in those areas where LDCs do not enter into contracts with the OPA or where LDCs do not deliver all necessary CDM programs.
5. The OPA will ensure that an accountability framework is in place and review the activity and results against such framework. The OPA will report annually to the Minister with respect to this fund.

The above-described LDC fund does not preclude additional OPA activities with or without LDC participation. LDCs may participate in other OPA CDM programs.

This Direction shall be effective and binding as of the date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dwight Duncan', with a long horizontal line extending to the right.

Dwight Duncan  
Minister

c: Howard Wetston, Chair, Ontario Energy Board

## **Appendix C**

**Minister Directive March 31, 2010**



Ontario  
Executive Council  
Conseil des ministres

Order in Council  
Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit:

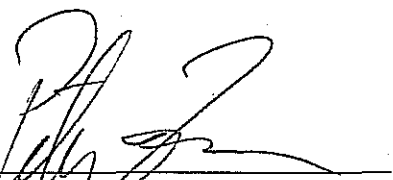
**WHEREAS** it is desirable to achieve reductions in electricity consumption and reductions in peak provincial electricity demand.

**AND WHEREAS** the Minister may, with the approval of the Lieutenant Governor in Council, issue directives under section 27.1 of the *Ontario Energy Board Act, 1998* in order to direct the Board to take steps to promote energy conservation, energy efficiency, load management or the use of cleaner energy sources, including alternative and renewable energy sources.


**AND WHEREAS** the Minister may, with the approval of the Lieutenant Governor in Council, issue directives under section 27.2 of the *Ontario Energy Board Act, 1998* in order to direct the Board to establish conservation and demand management targets to be met by distributors and other licensees.

**NOW THEREFORE** the Directive attached hereto is approved and shall be and is effective as of the date hereof.

Recommended:   
Minister of Energy  
and Infrastructure

Concurred:   
Chair of Cabinet

Approved and Ordered: MAR 31 2010  
Date

  
Lieutenant Governor



## MINISTER'S DIRECTIVE

### TO: THE ONTARIO ENERGY BOARD

I, Brad Duguid, Minister of Energy and Infrastructure, hereby direct the Ontario Energy Board pursuant to sections 27.1 and 27.2 of the *Ontario Energy Board Act, 1998*, as described below.

The Board shall take the following steps in order to establish electricity conservation and demand management ("CDM") targets to be met by licensed electricity distributors ("distributors") within the timeframe specified herein:

1. Subject to paragraph 5, the Board shall, without a hearing and in accordance with the requirements of this Directive, which relate to the conservation and demand-management targets to be met by distributors and other licensees including the OPA, amend each distributor's licence to add a condition requiring the distributor to achieve reductions in electricity consumption and reductions in peak provincial electricity demand through the delivery of CDM programs ("CDM Programs") by the amounts specified by the Board (the "CDM Targets"), over a four-year period beginning January 1, 2011.
2. In establishing CDM Targets for each distributor, the Board shall:
  - (a) ensure that the total of the CDM Targets established for all distributors is equal to 1330 megawatts (MW) of provincial peak demand persisting at the end of the four-year period and 6000 gigawatt hours (GWh) of reduced electricity consumption accumulated over the four-year period;
  - (b) specify for each distributor, a CDM Target for the reduction of provincial peak electricity demand and a CDM Target for the reduction of electricity consumption, each of which must be greater than zero; and,
  - (c) have regard to information obtained from the Ontario Power Authority ("OPA"), developed in consultation with distributors, regarding the reductions in provincial peak electricity demand and electricity consumption that could be achieved by individual distributors through the delivery of CDM Programs.
3. The Board shall amend the licence of each distributor as follows:
  - (a) by adding a condition that specifies each distributor must meet its CDM Targets through:
    - (i) the delivery of Board approved CDM Programs delivered in the distributor's service area ("Board-Approved CDM Programs");

(ii) the delivery of CDM Programs that are made available by the OPA to distributors in the distributor's service area under contract with the OPA ("OPA-Contracted Province-Wide CDM Programs"); or,

(iii) a combination of (i) and (ii)

- (b) by adding a condition that specifies that the distributor must deliver a mix of CDM Programs to all consumer types in the distributor's service area, whether through Board-Approved CDM Programs, OPA-Contracted Province-Wide CDM Programs or a combination of the two, as far as is appropriate and reasonable having regard to the composition of the distributor's consumer base;
- (c) by adding a condition that requires the distributor to comply with rules mandated by a code issued by the Board.

4. The Board shall amend licenses of distributors to ensure that:

- (a) distributors utilize the same common Provincial brand (which includes any mark or logo that the Province has used or is using, created or to be created by or on behalf of the Province, and which will be identified to the Board by the Ministry as a provincial mark or logo for its conservation programs) with all Board-Approved CDM Programs;
- (b) that the brand identified in (a) shall be the same brand utilized by the OPA and distributors for OPA-Contracted Province-Wide CDM Programs, once those programs have been created; and,
- (c) that the brand shall be used by distributors in conjunction with or co-branded with distributor's own brand or marks.

and the Board shall, upon receipt of written direction from the Ministry, which may be issued from time to time, and as a condition of license, require any one or more distributors to cease using the Provincial brand described in this paragraph at such time or in such way as may be specified in such direction.

5. The Board shall not amend the licence of any distributor that meets the conditions set out below:

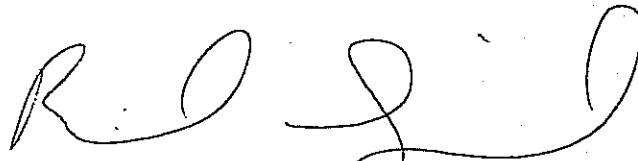
- (a) with the exception of embedded distributors the distributor is not connected to the Independent Electricity System Operator (IESO)-controlled grid; or,
- (b) the distributor's rates are not regulated by the Board.

6. The Board shall issue a code that includes rules relating to the reporting requirements and performance incentives associated with CDM Programs and to the planning, design, approval, implementation and the evaluation, measurement and verification ("EM&V") of Board-Approved CDM Programs and to such other matters as the Board considers appropriate.

In developing such rules, the Board shall have regard to the following objectives of the government in addition to such other factors as the Board considers appropriate:

- (a) that Board-Approved CDM Programs shall not duplicate OPA-Contracted Province-Wide CDM Programs that are available from the OPA at the time of Board approval;
- (b) that the Board shall encourage opportunities for coordinating CDM Programs between the distributor and other relevant entities such as other electricity distributors, natural gas distributors and the OPA;
- (c) that the Board shall not preclude consideration of CDM Programs or funding for CDM Programs on the basis that a distributor's CDM Targets have been or are expected to be exceeded;
- (d) that a tiered performance incentive mechanism shall be available to distributors for verified electricity savings with incentives beginning to accrue once a distributor meets 80% of each CDM Target; performance incentives shall not be offered for electricity savings achieved beyond 150% of each CDM Target;
- (e) that Board approval for funding of any given Board-Approved CDM Program shall correspond to the period in which the Board-Approved CDM Program is offered, provided that the period is no longer than the period for which CDM Targets are established;
- (f) that the Board shall require distributors to use OPA cost-effectiveness tests, as modified by the OPA from time to time, for assessing the cost-effectiveness of Board-Approved CDM Programs;
- (g) that the Board shall require distributors to use the OPA protocol process and third-party vendor of record list, as modified by the OPA from time to time, when conducting EM&V of Board-Approved CDM Programs;
- (h) that the Board shall consider the definition of CDM to be inclusive of load reduction from initiatives, such as geothermal heating and cooling, solar heating and fuel switching, but exclusive of initiatives that are associated with the OPA Feed-in Tariff Program and the OPA Micro Feed-in Tariff Program; and,

- (i) that all Board-Approved CDM Programs shall utilize the same common provincial brand (which includes any mark or logo that the Province has used or is using, created or to be created by or on behalf of the Province, and which will be identified to the Board by the Ministry as a provincial mark or logo for conservation) used for OPA-Contracted Province-Wide CDM Programs, once such programs are created, and used in conjunction with or co-branded with any brand or mark used by the distributor.
7. The Board shall not approve CDM Programs until OPA-Contracted Province-Wide CDM Programs have been established.
  8. The Board shall, in approving Board-Approved CDM Programs, continue to have regard to its statutory objectives, including protecting the interests of consumers with respect to prices.
  9. The Board shall conduct, or cause to be conducted, targeted audits of EM&V carried out by the distributor or third-parties on behalf of the distributor, as necessary.
  10. The Board shall annually review and publish the verified results of each individual distributor's CDM Programs and the consolidated results of all distributor CDM Programs, both Board-Approved CDM Programs and OPA-Contracted Province-Wide CDM Programs and take steps to encourage distributors to improve CDM Program performance.
  11. The Board shall permit distributors to meet a portion of their CDM Targets through the delivery of CDM Programs targeted to low-income consumers.
  12. The Board shall have regard to the objective that lost revenues that result from CDM Programs should not act as a disincentive to a distributor.



Minister of Energy and Infrastructure