

October 15th, 2014

Re: QUEST Ontario Municipal Working Group letter of support to the Toronto Atmospheric Fund - EB-2014-0134

QUEST Ontario's Municipal Working Group is pleased to support the Toronto Atmospheric Fund's DSM framework recommendations as outlined in their comments submitted October 15th, 2014.

QUEST Ontario is a collaborative network of stakeholders who are working to make Canada a leader in the design, development and implementation of smart energy communities. Smart energy communities are all about improving energy efficiency, cutting costs, and reducing greenhouse gas emissions at the community level by integrating conventional energy networks, undertaking smart land use planning, and harnessing local energy opportunities.

The QUEST Ontario Municipal Working Group is composed of 18 municipal representatives from across Southern Ontario and was formed out of the need to create a platform that would allow municipalities to engage in constructive dialogue around community energy planning, strictly from a municipal perspective.

The Municipal Working Group recognizes that the new DSM framework will play an important role in the development and implementation of local community energy plans. After a discussion and review of the TAF discussion papers, the Group has concluded that the recommendations put forth are in line with our priorities.

The Group would also like to share the following thoughts:

- The DSM framework might be an appropriate place for the Board to provide guidance to the gas and electric utilities on *how* to better integrate gas and electric DSM programs and what role the Board might play in facilitating this integration.
- There is currently a gap in DSM incentive programs with respect to multi-fuel measures and technologies – this should be addressed, and fuel-switching and combined heat and power should also be promoted.
- The framework should also encourage utilities to collaborate and coordinate with municipalities in the design and delivery of their DSM programs. (Municipalities have capacity and experience with respect to actively engaging their communities on energy conservation, and this could be leveraged. Synergies could also be achieved by coordinating utility DSM programs with municipal LIC financing).

To discuss this further, please contact:

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