BRANT COUNTY POWER INC.

Electricity Distributor Licence ED-2002-0522

Conservation and Demand Management

2014 ANNUAL REPORT

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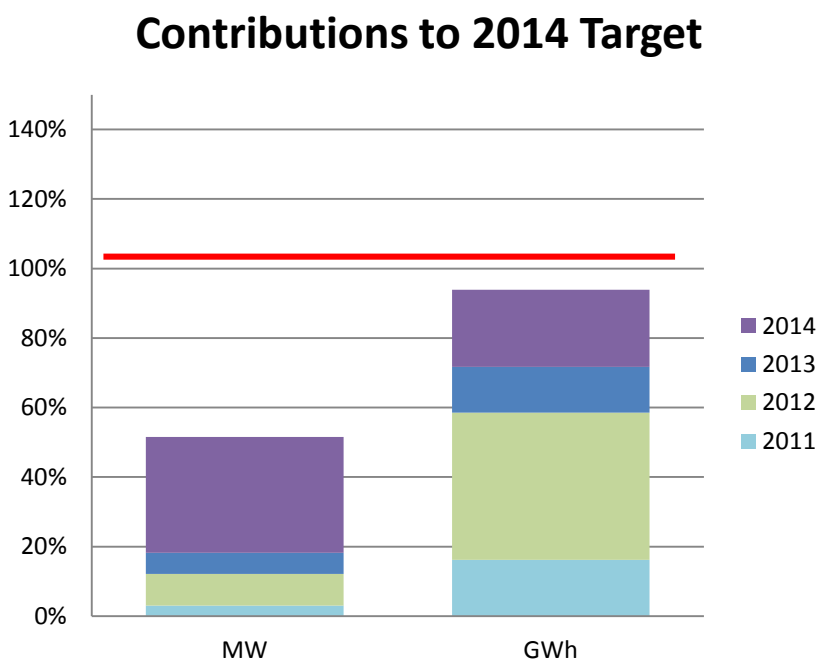
Executive Summary

2014 represented the fourth and last year of Conservation and Demand Management (CDM) programs delivered under the Ontario Energy Board (OEB) CDM Code (Board File No. EB-2010-2015). The CDM Code required that Brant County Power Inc. (BCP) achieve a mandated 3.3 MW and 9.85 GWh of peak demand and energy savings during the period of January 1, 2011 until December 31, 2014. This report will provide details on BCP's achievement towards those targets, including activities undertaken to increase participation rates. The four year cumulative achievements toward target are summarized in the chart below.



BCP's results fell just shy of achieving the mandated GWh target by the end of 2014. Previous estimates had put BCP on track, due largely in part to a New Construction project. However, the net to gross calculation significantly reduced the attributed savings. As with most LDCs, achievement of the MW target proved difficult. BCP's final results to target were 1.6 MW and 9.4 GWh.

Based on a successful collaborative model in past years, BCP continued to strengthen a shared delivery model with its neighbouring LDCs in the Niagara Region and through the Southwest Utilities Group. Additionally, where appropriate, BCP aligned their strategy with other key stakeholders such as the County of Brant, Union Gas and cost-effective partnerships with third party delivery agents.

Background

On March 31, 2010, the Minister of Energy and Infrastructure of Ontario, under the guidance of sections 27.1 and 27.2 of the *Ontario Energy Board Act, 1998*, directed the OEB to establish CDM targets to be met by electricity distributors. Accordingly, on November 12, 2010, the OEB amended the distribution license of BCP to require BCP, as a condition of its license, to achieve 9.85 GWh of energy savings and 3.3 MW of peak demand savings, over the period beginning January 1, 2011 through December 31, 2014.

In accordance with the same Minister's directive, the OEB issued the Conservation and Demand Management Code for Electricity Distributors (the Code) on September 16, 2010. The Code sets out the obligations and requirements with which electricity distributors must comply in relation to the CDM targets set out in their licenses. To comply with the Code requirements, BCP submitted its CDM Strategy on November 1, 2010 to the OEB and amended CDM Strategy on June 13, 2011 which provided a high level of description of how BCP intended to achieve its CDM targets.

The Code also requires a distributor to file annual reports with the Board. This is the fourth and final Annual Report produced by BCP and it has been prepared in accordance with the Code requirements and covers the period from January 1, 2014 to December 31, 2014.

On December 21, 2012, the Minister of Energy directed the Independent Electricity Systems Operator ("IESO" formerly Ontario Power Authority) to fund CDM programs which meet the definition and criteria for IESO-Contracted Province-Wide CDM Programs for an additional one-year period from January 1, 2015 to December 31, 2015. The Ministerial Directive did not amend the timelines for LDCs to achieve their energy savings and demand savings targets.

In 2014, LDCs collectively achieved approximately 24% of the energy savings (GWh) target, adding to the overall cumulative result of approximately 109% of the net energy target of 6,000 GWh. Provincial results echo the same struggle seen by BCP to achieve the demand target. Final LDC collective results toward the MW target was 70%.

1 Conservation Framework

1.1 2011-2014 Framework

The 2011-2014 Conservation Framework was a key step towards creating a culture of conservation in the province. The Ministry's Directive to the OEB to establish CDM targets that would be met by electricity distributors recognized the importance of CDM for both electricity customers and the electricity system. CDM helps customers manage rising energy costs, support Ontario's Integrated Power Systems Plan, as well as address local distribution and transmission supply constraints. This framework was intended to enable customers to benefit from a suite of both Board-Approved and IESO Province-Wide programs and be a portfolio that would meet both broad and specific customer needs.

The state of Board-Approved programs and the 2011-2014 Province-Wide IESO programs limited CDM offerings to customers. This produced limited savings and restricted the associated opportunity for LDCs to meet their targets. The process to introduce changes to current program Initiatives or to pilot new Initiatives proved challenging, taking considerable cost and effort for LDCs who pursued this track.

1.2 Conservation First Framework

LDCs are supportive of the Government's renewed commitment for CDM in Ontario. LDCs are committed to working with the Government, IESO, Natural Gas Utilities and other stakeholders to develop programs for the new framework for CDM in the Province.

Long-term commitment for CDM funding and confirmation of the role of LDCs have been provided in the Minister's directive dated March 31, 2014, allowing LDCs to maintain current program infrastructure, including LDC staff and third party contracts as required.

The commitment also provided LDCs the program extensions required for continuity into the Conservation First Framework which was critical for all customers.

2 Board-Approved CDM Programs

2.1 Introduction

In its Decision and Order dated November 12 2010 (EB-2010-0215 & EB-2010-0216), the OEB ordered that, (to meet its mandatory CDM targets), "Each licensed electricity distributor must, as a condition of its license, deliver Board-Approved CDM Programs, IESO-Contracted Province-Wide CDM Programs, or a combination of the two".

At this time, the implementation of Time-of-Use ("TOU") Pricing has been deemed as a Board-Approved CDM program that is being offered in BCP's service area.

2.2 TOU Pricing

2.2.1 Background

In its April 26, 2012 CDM Guidelines, the OEB recognizes that a portion of the aggregate electricity demand target was intended to be attributable to savings achieved through the implementation of TOU Pricing. The OEB establishes TOU prices and has made the implementation of this pricing mechanism mandatory for distributors. On this basis, the OEB has determined that distributors will not have to file a Board-Approved CDM program application regarding TOU pricing. The OEB has deemed the implementation of TOU pricing to be a Board-Approved CDM program for the purposes of achieving the CDM targets. The costs associated with the implementation of TOU pricing are recoverable through distribution rates, and not through the Global Adjustment Mechanism (GAM).

In accordance with a Directive dated March 31, 2010 by the Minister of Energy and Infrastructure, the OEB is of the view that any evaluations of savings from TOU pricing should be conducted by the IESO for the province, and then allocated to distributors.

In 2013, the IESO retained the Brattle Group as the evaluation contractor and has been working with an expert panel convened to provide advice on methodology, data collection, models, savings allocation, etc. The initial evaluations were conducted in 2013 with five LDCs – Hydro One Networks Inc., Toronto Hydro-Electric System Limited, Hydro Ottawa Limited, Thunder Bay Hydro Electricity Distribution Inc. and Newmarket-Tay Power Distribution Ltd. Preliminary results from these five LDCs were issued to the five LDCs involved in the study in August 2013 and are now publically available on the IESO website. Preliminary results demonstrated load shifting behaviours from the residential customer class. Three additional LDCs were added to the study in 2014, Cambridge and North Dumfries, Powerstream and Sudbury. Verified results from this evaluation were included in the final 2014 report from the IESO.

2.2.2 TOU PROGRAM DESCRIPTION

Target Customer Type(s): Residential and small business customers (up to 250,000 kWh per year)

Initiative Frequency: Year round

Objectives: TOU pricing is designed to incent the shifting of energy usage. Therefore, peak demand reductions are expected, and energy conservation benefits may also be realized.

Description: In August of 2010, the OEB issued a final determination to mandate TOU pricing for Regulated Price Plan (RPP) customers by June 2011, in order to support the Government's expectation for 3.6 million RPP consumers to be on TOU pricing by June 2011, and to ensure that smart meters funded at ratepayer expense are being used for their intended purpose.

The RPP TOU price is adjusted twice annually by the OEB. A summary of the RPP TOU pricing is provided below:

RPP TOU		**Rates (cents/kWh)**	
Effective Date	**On Peak**	**Mid Peak**	**Off Peak**
November 1, 2010	9.9	8.1	5.1
May 1, 2011	10.7	8.9	5.9
November 1, 2011	10.8	9.2	6.2
May 1, 2012	11.7	10.0	6.5
November 1, 2012	11.8	9.9	6.3
May 1, 2013	12.4	10.4	6.7
November 1, 2013	12.9	10.9	7.2
May 1, 2014	13.5	11.2	7.5
November 1, 2014	14.0	11.4	7.7

Delivery: The OEB set the rates; LDCs install and maintain the smart meters and convert customers to TOU billing.

Initiative Activities/Progress: BCP began transitioning its RPP customers to TOU billing in September 2011. At December 31st, 2014, 99% of BCP's RPP customers were on TOU billing.

2.3 BCP's Application with the OEB

In 2013, the IESO introduced the Conservation Fund's Program Innovation stream to support the development and launch of new local, regional and province-wide initiatives. The Conservation Fund's LDC Program Innovation stream fast-tracks LDC-led program design and the launch of successfully piloted initiatives prior to full scale deployment.

By driving program innovation through the Conservation Fund, LDCs have the opportunity to both realize additional savings through the piloting and implementation of initiatives not currently addressed by the IESO portfolio and the means to test concepts for future local or province wide programs post 2014.

BCP did not have any additional Board-Approved CDM Programs.

3 IESO-Contracted Province-Wide CDM Programs

3.1 Introduction

Effective February 17, 2011, BCP entered into an agreement with the IESO to deliver CDM programs extending from January 1, 2011 to December 31, 2014, which are listed in Table 1 below. Program details are included in Appendix A. In addition, results include projects started pre 2011 which were completed in 2011:

Table 1: CDM Programs

Initiative	Schedule	Date schedule posted	Customer Class
Consumer Programs			
Appliance Retirement	Schedule B-1, Exhibit D	*Jan 26,2011*	All residential rate classes
Appliance Exchange	Schedule B-1, Exhibit E	*Jan 26, 2011*	All residential rate classes
Heating & Cooling Incentives	Schedule B-1, Exhibit B	*Jan 26, 2011*	All residential rate classes
Conservation Instant Coupon Booklet	Schedule B-1, Exhibit A	*Jan 26, 2011*	All residential rate classes
Bi-Annual Retailer Event	Schedule B-1, Exhibit C	*Jan 26, 2011*	All residential rate classes
Retailer Co-op	n/a	*n/a*	
Residential Demand Response	Schedule B-3	*Aug 22, 2011*	All residential and general service classes
New Construction Program	Schedule B-2	*Jan 26, 2011*	All residential rate classes
Commercial & Institutional Programs			
Efficiency: Equipment Replacement Initiative	Schedule C-2	Jan 26, 2011	All general service classes
Direct Install Lighting Initiative	Schedule C-3	Jan 26, 2011	General Service < 50 kW
Existing Building Commissioning Incentive	Schedule C-6	Feb 2011	All general service classes
New Construction and Major Renovation Initiative	Schedule C-4	Feb 2011	All general service classes
Energy Audit Initiative	Schedule C-1	Jan 26, 2011	All general service classes
Industrial Programs			
Process & System Upgrades	Schedule D-1	May 31, 2011	GS 50 kW & above
Monitoring & Targeting	Schedule D-2	May 31, 2011	GS 50 kW & above
Energy Manager	Schedule D-3	May 31, 2011	GS 50 kW & above
Key Account Manager (“KAM”)	Schedule D-4	May 31,2011	GS 50 kW & above

Demand Response 3	Schedule D-6	May 31, 2011	General Service 50 kW & above
Home Assistance Program			
Home Assistance Program	Schedule E-1	*May 9, 2011*	All residential rate classes
Pre-2011 Programs			
Electricity Retrofit Incentive Program	n/a	n/a	All general service classes
High Performance New Construction	n/a	n/a	All general service classes

Table 2 outlines previous Initiatives from the IESO-Contracted Province Wide program portfolio that have been removed from the Schedule, were not offered by BCP or were not released to market as of December 31, 2014.

Table 2: CDM Programs Not in Market

Initiative Not in Market in 2014	Objective	Status
Consumer Programs		
Midstream Electronics	The objective of this initative is to encourage retailers to promote and sell high efficency televisions, and for distributors to distribute high efficiency set top boxes.	Not launched to market Removed from Schedule in Q2, 2013.
Midstream Pool Equipment	The objective of this Initiative is to encourage pool installers to sell and install efficient pool pump equipment in residential in-ground pools.	Not launched to market Removed from Schedule in Q2, 2013.
Aboriginal Conservation Program	First Nations programs are delivered by the IESO and results are attributed to LDCs for reporting.	Launched in 2013 by IESO in select areas not including CND.
Home Energy Audit Tool	This is a provincial online audit tool to engage customers in conservation and help drive customer participation to CDM programs.	Not launched to market Removed from Schedule in Q2, 2013.
Commercial & Institutional Programs		
Direct Service Space Cooling	The objective of this Initiative is to offer free servicing of ACs and refrigeration units for the purpose of achieving energy and demand savings	Not launched to market
Industrial Programs		
DR1	This Initiative allows distribution customers to voluntarily reduce electricity demand during certain	No customer uptake for this Initiative. As a result this

	periods of the year pursuant to the DR1 contract. The Initiative provides DR payment for service for the actual electricity reduction provided during a demand response event.	Initiative was removed from the Schedule in Q4, 2012.

The Master CDM Program Agreement includes program change management provision in Article 3. Collaboration between the IESO and the LDCs commenced in 2011, and continued in 2012, 2013 and 2014, as the change management process was implemented to enhance the IESO-Contracted Province Wide programs. The change management process allows for modifications to the Master Service Agreement and Initiative Schedules. The program enhancements give LDCs additional tools and greater flexibility to deliver programs in a way that meets the needs of customers and further drives participation in the Initiatives.

3.2 Program Descriptions

Full IESO-Contracted Province-Wide CDM Program descriptions are available on the IESO's saveONenergy website at https://saveonenergy.ca. The targeted customer types, objectives, and individual descriptions for each Program Initiative are detailed in Appendix A.

3.2.1 CONSUMER PROGRAMS

Description: Provides residential customers with programs and tools to help them understand and manage the amount of energy they use throughout their entire home and help the environment.

Objective: To provide incentives to both existing homeowners and market channels to motivate the installation of energy efficiency measures in both existing and new home construction.

Discussion: The addition of LED measures to the Bi-Annual Retailer Event and in the Annual Coupon initiative in 2013 had a positive impact on customer participation. There was the added benefit of a full suite of LDC custom coded coupon options for LDCs to utilize. Energy savings from this initiative surpassed the Heating & Cooling Initiative for the first time as well.

The Residential Program Portfolio was predominately a carryover of initiatives from previous programs. Three new initiatives were never launched and subsequently removed from the schedule in 2013 with no new additions. Delays in communication with regards to initiative offerings and results reporting hampered LDCs' ability to engage customers and promote participation.

Program Activities Undertaken: Co-promotion is used in the Consumer programs to maintain cost-effectiveness and increase overall brand awareness. Collaboration with Brantford Power on print ads and contractor awareness events have been effective in reaching a wider audience with consistent messaging while achieving cost-savings.

BCP made consumer engagement a priority again in 2014 attending Community Events throughout the various locations within our service territory. Membership in the Brant/Brantford Home Builders' Association and the local chapter of the HRAI leverage BCPs commitment to our contractors and channel partners who deliver the New Home Construction Program and Heating & Cooling Incentive Program to our mutual customers.

The following bulleted list provides an overview of the program activities undertaken for the Consumer programs in 2014.

- Print materials such as posters, banners, brochures, bill inserts and coupons have been utilized at community events, County of Brant offices, BCP office and elsewhere.
- Magazine ads, newspaper ads, Community Service Guide ads and on bill messages were also used to promote all residential programs.
- A contest to entice peaksaver PLUS (PSP) enrollment was advertised through May, June & July

- Billboards were utilized to advertise the PSP contest and the Heating & Cooling Incentive Program.
- Wraps on the tailgates of our operations pickup trucks promoted the Fridge & Freezer Pickup Program, Heating & Cooling Incentive Program and PSP contest acting as moving advertisements within our service area.
- Sponsorship of the Help a Child Smile Foundation via a program ad for the Paris Rodeo advertised the peaksaver PLUS contest.
- A direct mail letter to our previous peaksaver customers to encourage re-registration in PSP.
- Social Media (BCP Facebook and Twitter) was used to promote the peaksaver PLUS contest, Coupons, the Bi-Annual Coupon Events and the Heating & Cooling Incentive Program.
- Community events sponsorship included; the County of Brant Movie Nights in the local parks, Springtime in Paris, Downtown Summertime Streetfest, St. George AppleFest and Jingle Bell Night.
- During the Exchange Event in September, BCP had a booth at the local Canadian Tire to cross promote other saveONenergy programs as well as assist retail staff with the event.
- A revolving LED sign in front of the BCP office was used to promote local community events as well as the PSP contest, Heating & Cooling Incentive Initiative and Fridge & Freezer Pickup.
- All programs are promoted on the conservation page at brantcountypower.com.

3.2.1.1 Appliance Retirement Initiative (Exhibit D)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Appliances	**87**	**6**	**38,102**

Additional Comments:

- In an effort to capture additional savings in the perceived last year of the Initiative, the eligibility requirement for refrigerators was revised from 20 years old to 15 years old in Q2 2014.
- An Air Miles incentive was introduced in 2013 and continued through 2014 to encourage program participation.
- This program concluded December 31, 2014.

3.2.1.2 Appliance Exchange Initiative (Exhibit E)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Appliances	**12**	**2**	**4,433**

Additional Comments:

- To date there has only been one retailer participant in the Appliance Exchange Initiative.
- Evaluation, Measurement, and Verification (EMV) results indicated that the value of savings for retired room air conditioner (AC) dropped resulting in the retail participant not accepting window ACs. Dehumidifiers were the only eligible measure.

3.2.1.3 Heating & Cooling Incentives Initiative (Exhibit B)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Equipment	**238**	**48**	**88,545**

Additional Comments:

- Incentive levels appear to be insufficient to prompt participants to upgrade HVAC equipment prior to end of useful life. An Air Miles incentive was introduced in 2013 and continued through 2014 to try and encourage early replacement.
- This Initiative is contractor driven with LDCs responsible for marketing efforts to customers. More engagement with the HVAC contractor channel should be undertaken to drive a higher proportion of furnace and central air conditioner sales to eligible units.
- HVAC contractors have stressed the importance of timeliness of the incentive process to maintain a positive relationship between participants, contractors, the IESO and the participating LDC.
- There are cases where non-participating contractors are offering their own incentives (by discounting their installations to match value of the IESO incentive) to make the sale.
- Changes to the Schedule in 2014 to allow for incentives for new installations, rather than strictly replacement units, may provide greater Initiative results.

3.2.1.4 Conservation Instant Coupon Initiative (Exhibit A)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Items	**2,221**	**4**	**60,073**

Additional Comments:

- The timeframe for retailer submission of redeemed coupons vary from retailer to retailer. The delays and incomplete results reporting limits the ability to react and respond to Initiative performance or changes in consumer behaviour.
- Coupon booklets were printed and mailed out in the first half of 2014. This accounts for the significant increase to participation, along with updated LED measures.
- All coupons have been provided with LDC custom coding in 2014 which allows LDCs to promote coupons based on local preferences.

3.2.1.5 Bi-Annual Retailer Event Initiative (Exhibit C)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Items	**9,546**	**16**	**243,165**

Additional Comments:

- This Initiative is strongly influenced by the retail participants and has no direct involvement from the LDCs.
- Program evolution, including new products and review of incentive pricing for the coupon Initiatives should be a regular activity to ensure continued consumer interest.
- The timeframe for retailer submission of redeemed coupons vary from retailer to retailer. The delays and incomplete results reporting limits the ability to react and respond to Initiative performance or changes in consumer behaviour.

3.2.1.6 New Construction Program (Schedule B-2)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Homes	**0**	**0**	**0**

Initiative Activities/Progress: Additional Comments:

- This Initiative provides incentives to home builders for incorporating energy efficiency into their construction plans. To support this, LDCs need to provide education to the consumers regarding the importance of choosing the energy efficient builder upgrade options without an immediate benefit to the consumer.
- Administrative requirements, in particular individual home modeling, must align with perceived stakeholder payback
- The addition of LED light fixtures, application process improvement and moving the incentive from the builder to the home-owner may increase participation.
- Performance enhancements were made in 2014 to allow Energy Star homes to qualify for incentives which improved provincial uptake.
- BCP contracted the services of a third party to engage builders in 2014 and saw minor participation increases which will be reflected in 2015 final results.

3.2.1.7 Residential Demand Response Program (RDR) (Schedule B-3)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Devices	**196**	**71**	**0**

Initiative Activity Undertaken:

Groundwork has been underway to evaluate the available technologies and infrastructure required to deliver an effective, future-proof solution to customers.

Additional Comments:

- Smart Meters installed by most LDCs do not have the capability to communicate directly to an IHD. When proposing technical Initiatives that rely on existing LDC hardware or technology there should be an extensive consultative process.
- The variable funding associated with installing a load controllable thermostat is not sufficient unless it is combined with an IHD which might not be possible all the time and when IHD is optional. The variable funding should offer a second tier for LDCs who chose to install a two-way communicating device which is incrementally more expensive.
- As identified in the IESO's Evaluation Report in 2012 Wi-Fi enabled thermostats provide the greatest risk to the program. Rules need to evolve and be flexible to keep up with the changes in technology.

3.2.2 COMMERCIAL AND INSTITUTIONAL PROGRAM

Description: Provides commercial, institutional, agricultural and industrial organizations with energy-efficiency programs to help reduce their electricity costs while helping Ontario defer the need to build new generation and reduce its environmental footprint. Programs offer qualified participants funding towards energy audits, replacements or retrofits of inefficient equipment or incentives for pursuing new construction that exceeds our existing codes and standards. Businesses can also receive incentives for controlling and reducing their electricity demand at specific times.

Objective: Designed to assist building owners and operators as well as tenants and occupants in achieving demand and energy savings, and to facilitate a culture of conservation among these communities as well as the supply chains which serve them.

Discussion: The Commercial and Institutional Program portfolio continues to be the flagship offering for BCP's customer base. The savings attributed to participation in this portfolio are critical to the achievement of target.

Program Activities Undertaken: Co-promotion is frequently used in the Commercial and Institutional (C&I) programs to maintain cost-effectiveness and increase overall brand awareness. Collaboration with Brantford Power on print ads and event execution has been effective in reaching a wider audience with consistent messaging while achieving cost-savings.

Continuing to be the most effective activity to cultivate participation is actively engaging with customers on site-visits. BCP contracted a third-party to assist with application review and customer engagement, attending site visits to assist in identifying additional opportunities and offering expert advice on specific projects when required. This allowed BCP staff to assist with application support while overseeing the approval process.

Joint focus by BCP and Brantford Power on educating and training channel partners and shared customers drove an increase in awareness of the saveONenergy initiatives. Using the channel partners as an extended sales force has resulted in a year over year increase to participation. Membership in the local HRAI chapter kept contractors up to date on changes in the RETROFIT Program relevant to HVAC and leveraged BCPs commitment to our local organizations.

The following bulleted list provides an overview of the program activities undertaken for the C&I programs in 2014.

- Joint delivery of four Lunch n Learn events focused on updates to programs and insight into specific technologies such as HVAC, LED lighting, Compressed Air and VFDs.
- Partnership with both local Chambers of Commerce, Brant/Brantford and Paris and District offer a variety of marketing avenues; event sponsorship, printed quarterly mail stuffers and In Touch magazine advertisement and earned media. Participation in their Joint Trade Show every September assists in meeting with our local small business customers and networking with trade partners.

- Advertising all Consumer, C & I and Industrial Programs in a full page ad in our local Community Leisure Guide and Community Directory.
- Included Small Business Lighting (SBL) on a bill insert later in the year, as a last chance anticipating the end of this program in 2014.
- Direct mail letter to our largest 100 customers in January along with an IESO calendar to advise that the programs were all still available until the end of 2014 and inviting customers to request site visits. We also included a "Walk of Fame" listing in recognition of the prior years' participants in the RETROFIT Program.
- Direct mail letter to encourage those Small Business customers that had not participated previously in SBL.
- Wraps on the tailgates of our operations pickup trucks promoted the RETROFIT Program, Audit Funding and SBL Program acting as moving advertisements within our service area.
- All programs are promoted on the conservation page at brantcountypower.com.

3.2.2.1 Efficiency: Equipment Replacement Incentive (ERII) (Schedule C-2)

Initiative Activities/Progress:

Additional Comments:

Unit	Incremental Activity	Incremental Net kW	Incremental Net kWh
Projects	**26**	**205**	**957,243**

- A large proportion of LDC savings are attributed to ERII.
- Capability building programs offered by the IESO have had very positive contributions to ERII program participation and a drive for deeper measure savings.
- Participation in this Initiative is impacted by the state of the economy and the ability of commercial/institutional facilities to complete capital improvement projects.
- Applicants and Applicant Representatives continue to express dissatisfaction and difficulty with the online application system. This issue has been addressed by LDCs through application training workshops, Key Account Managers, channel partner/contractor training and LDC staff acting as customer Application Representatives. Although this has been an effective method of overcoming these issues and encouraging submissions, it also reflects on the complexity and time consuming nature of the application process.
- Prescriptive and Engineered worksheets provide a much needed simplified application process for customers. However, the eligible measures need to be updated and expanded in both technology and incentive amounts to address changing product costs and evolution of the marketplace.
- Processing Head Office applications became much easier for the Lead LDC after Schedule changes came into effect in August 2013. The changes implemented allowed the Lead LDC to review and approve all facilities in a Head Office application on behalf of all satellite LDCs under certain circumstances.
- Streamlining of the settlements systems resulted in significant improvement in the payment process in 2013.

3.2.2.2 Direct Install Initiative (DIL) (Schedule C-3)

Initiative Activities/Progress:

Additional Comments:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Projects	**16**	**13**	**49,244**

- Successful execution of the previous rendition of this Initiative has continued to result in diminished potential for the 2011-2014 Initiative in BCP's service territory.
- LED lighting was introduced in 2013 as a new measure and has been well received by customers who may not have previously qualified for DIL eligible upgrades. This is an efficient product with a long estimate useful life.
- The inclusion of a standard incentive for additional measures increased project size and drove higher energy and demand savings results in some situations.

3.2.2.3 Existing Building Commissioning Incentive Initiative (Schedule C-6)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Buildings	**0**	**0**	**0**

Additional Comments:

- There was minimal participation for this Initiative. It is suspected that the lack of participation in the program is a result of the Initiative being limited to space cooling and a limited window of opportunity (cooling season) for participation.

3.2.2.4 New Construction/ Major Renovation Initiative (HPNC) (Schedule C-4)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Buildings	**3**	**104**	**622,463**

Additional Comments

- There remains a long sales cycle for these projects. It is very burdensome to a customer to require them to choose and provide all project aspects before a permit is issued. Equipment is typically selected after the point of permit approval and still available for influence under the initiative.
- Participants estimated completion dates tend to be inaccurate and are usually 4-6 months longer than anticipated completion dates. This could result in diminished savings towards target when facilities are not substantially completed by December 31, 2014.
- The effort required to participate through the custom stream exceeds the value of the incentive for many customers.

3.2.2.5 Energy Audit Initiative

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Audits	**2**	**27**	**130,547**

Additional Comments

- The Energy Audit Initiative is considered an 'enabling' Initiative and 'feeds into' other saveONenergy Initiatives so is given a lower priority status.

3.2.3 INDUSTRIAL PROGRAM

Description: Large facilities are discovering the benefits of energy efficiency through the Industrial Programs which are designed to help identify and promote energy saving opportunities. It includes financial incentives and technical expertise to help organizations modernize systems for enhanced productivity and product quality, as well as provide a substantial boost to energy productivity.

Objective: To provide incentives to both existing and new industrial customers to motivate the installation of energy efficient measures and to promote participation in demand management.

Discussion: The Industrial Program Portfolio has been able to provide valuable resources to large facilities such as Energy Managers and enabling Engineering Studies. The Engineering Studies in particular provide a unique opportunity for a customer to complete a comprehensive analysis of an energy intensive process that they would not otherwise be able to undertake. The Energy Manager Initiative provides customers with a skilled individual whose only role is to assist them with conservation Initiatives. To date these Energy Managers have played a key role in customer participation.

3.2.3.1 Process & Systems Upgrades Initiative (PSUI) (Schedule D-1)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Projects	**0**	**0**	**0**

Activity Undertaken:
This Initiative is heavily dependent on direct involvement with interested customers. Most industrial customers pursue projects funded through the C&I programs.

Additional Comments:

- BCP received and approved one Preliminary Engineering Study in 2014.

3.2.3.2 Monitoring & Targeting Initiative (M&T) (Schedule D-2)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Project	**0**	**0**	**0**

Additional Comments:

- The M&T Initiative is targeted to larger customers with the capacity to review the M&T data. This review requires the customer facility to employ an Energy Manager, or a person with equivalent qualifications, which has been a barrier for some customers. As such, a limited number of applications have been received across Ontario to date.
- Through the change management process in 2013, changes were made to ERII to allow smaller facilities to employ M&T systems.

3.2.3.3 Energy Manager Initiative (Schedule D-3)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Projects	**0**	**0**	**0**

Additional Comments:

- The Energy Managers have proven to be a popular and useful resource for larger customers.
- Some LDCs and Customers are reporting difficulties in hiring capable REMs and EEMs, in some instances taking up to 7 months to have a resource in place.
- New Energy Managers require training, time to familiarize with facilities and staff and require time to establish credibility.

3.2.3.4 Key Account Manager (KAM) (Schedule D-4)

BCP did not employee a Key Account Manager.

Additional Comments

- Customers appreciate dealing with a single contact to interface with an LDC, a resource that has both the technical and business background who can communicate easily with the customer and the LDC.
- Finding this type of skill set has been difficult. In addition, the short-term contract and associated energy targets discourage some skilled applicants resulting in longer lead times to acquire the right resource.

3.2.3.5 Demand Response 3 (D-6)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Facilities	**3**	**449**	**0**

Initiative Activity Undertaken:

As a standard deliverable in a site visit, opportunities and customer interest to participate in the Demand Response 3 (DR-3) program is always investigated. Aggressive sales tactics by the aggregators has turned some customers off of participating.

Additional Comments:

- Until early 2013 customer data was not provided on an individual customer basis due to contractual requirements with the aggregators. This limited LDCs' ability to effectively market to prospective participants and verify savings.
- Market conditions and just-in-time delivery continue to dissuade customers from participating in the program due to the nature of long-term contractual requirements.
- Aggressive sales techniques coupled with poor customer services by the Aggregators has deterred many of BCP's customers from considering participating. Greater emphasis should have been placed on LDC engaged delivery and formal partnerships with Aggregators.
- In BCP's service territory we have many single shift facilities which don't meet the criteria for enrollment into the program.

3.2.4 LOW INCOME INITIATIVE (HOME ASSISTANCE PROGRAM) (Schedule E-1)

Initiative Activities/Progress:

Unit	Incremental Activity	Incremental kW	Incremental kWh
Homes	**32**	**2**	**21,214**

Additional Comments:

- The process for enrolling in social housing was complicated and time consuming. This was addressed in late 2012 and is proved beneficial in 2013 and 2014.
- The financial scope, complexity, and customer privacy requirements of this Initiative are challenging for LDCs and most have contracted this program out. BCP utilized the services of Greensaver for this work.
- The primary, cost-effective delivery model for this Initiative remains working through social agencies.

3.2.5 PRE-2011 PROGRAMS

Savings were realized towards LDC's 2011-2014 target through pre-2011 programs. The targeted customer types, objectives, descriptions, and activities of these programs are detailed in Appendix A

4 2014 LDC CDM Results

The following Tables were provided by the IESO and represent the final net verified CDM results for BCP in 2014.

Table 3: Brant County Power Inc. Initiative and Program Level Net Savings by Year

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
														2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014	2014
Consumer Program															
Appliance Retirement	Appliances	138	153	99	87	8	9	6	6	54,690	58,541	42,627	38,102	28	517,234
Appliance Exchange	Appliances	2	21	21	12	0	3	4	2	266	5,111	7,758	4,433	10	36,194
HVAC Incentives	Equipment	222	236	201	238	80	52	40	48	147,245	89,611	68,561	88,545	219	1,083,482
Conservation Instant Coupon Booklet	Items	1,028	61	688	2,221	2	0	1	4	38,137	2,766	15,250	60,073	8	251,421
Bi-Annual Retailer Event	Items	1,884	2,099	1,869	9,546	3	3	2	16	58,144	52,988	33,991	243,165	25	702,685
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	35	0	86	196	20	0	39	71	0	0	62	0	71	62
Residential Demand Response (IHD)	Devices	0	0	86	193	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consumer Program Total						**113**	**67**	**94**	**147**	**298,482**	**209,019**	**168,248**	**434,320**	**361**	**2,591,078**
Business Program															
Retrofit	Projects	1	17	13	26	0	130	30	205	0	793,415	212,433	957,243	354	3,709,787
Direct Install Lighting	Projects	3	113	28	16	4	96	56	13	9,616	351,227	138,488	49,244	168	1,412,885
Building Commissioning	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	3	3	0	0	20	104	0	0	109,754	622,463	124	841,970
Energy Audit	Audits	2	1	0	2	0	5	0	27	0	25,176	0	130,547	32	206,076
Small Commercial Demand Response	Devices	0	0	2	2	0	0	1	1	0	0	2	0	1	2
Small Commercial Demand Response (IHD)	Devices	0	0	0	1	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Business Program Total						**4**	**231**	**107**	**350**	**9,616**	**1,169,818**	**460,677**	**1,759,497**	**678**	**6,170,720**
Industrial Program															
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retrofit	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	3	2	1	3	217	92	45	449	12,763	2,209	1,019	0	449	15,991
Industrial Program Total						**217**	**92**	**45**	**449**	**12,763**	**2,209**	**1,019**	**0**	**449**	**15,991**
Home Assistance Program															
Home Assistance Program	Homes	0	27	36	32	0	2	1	2	0	20,019	14,155	21,214	5	109,463
Home Assistance Program Total						**0**	**2**	**1**	**2**	**0**	**20,019**	**14,155**	**21,214**	**5**	**109,463**
Aboriginal Program															
Home Assistance Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	0	0	0	0	16	0	0	0	93,507	0	0	0	16	374,030
High Performance New Construction	Projects	0	0	0	0	0	0	0	0	841	217	0	0	0	4,012
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total						**16**	**0**	**0**	**0**	**94,348**	**217**	**0**	**0**	**16**	**378,042**
Other															
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	136	0	0	0	0	136	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Total						**0**	**0**	**0**	**136**	**0**	**0**	**0**	**0**	**136**	**0**
Adjustments to 2011 Verified Results							**-11**	**0**	**1**		**12,907**	**0**	**2,060**	**-10**	**59,870**
Adjustments to 2012 Verified Results								**3**	**0**			**6,512**	**1,405**	**3**	**23,752**
Adjustments to 2013 Verified Results									**3**				**6,466**	**3**	**12,958**
Energy Efficiency Total						**114**	**300**	**161**	**563**	**402,446**	**1,399,073**	**643,015**	**2,215,032**	**1,125**	**9,249,239**
Demand Response Total (Scenario 1)						**237**	**92**	**85**	**521**	**12,763**	**2,209**	**1,083**	**0**	**521**	**16,055**
Adjustments to Previous Years' Verified Results Total						**0**	**-11**	**3**	**4**	**0**	**12,907**	**6,512**	**9,931**	**-4**	**96,580**
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						**351**	**381**	**249**	**1,088**	**415,209**	**1,414,189**	**650,610**	**2,224,963**	**1,642**	**9,361,874**
													Full OEB Target:	**3,300**	**9,850,000**
													% of Full OEB Target Achieved to Date (Scenario 1):	**49.7%**	**95.0%**

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Table 4: Summarized Program Results

Program	Gross Savings		Net Savings		Contribution to Targets	
	Incremental Peak Demand Savings (MW)	Incremental Energy Savings (GWh)	Incremental Peak Demand Savings (MW)	Incremental Energy Savings (GWh)	Program-to-Date: Net Annual Peak Demand Savings (MW) in 2014	Program-to-Date: 2011-2014 Net Cumulative Energy Savings (GWh)
Consumer Program Total	0.20	0.45	0.15	0.43	0.36	2.59
Business Program Total	0.52	2.67	0.35	1.76	0.68	6.17
Industrial Program Total	0.45	0.00	0.45	0.00	0.45	0.02
Home Assistance Program Total	0.00	0.02	0.00	0.02	0.00	0.11
Pre-2011 Programs completed in 2011 Total	0.00	0.00	0.00	0.00	0.02	0.38
Other	0.14	0.00	0.14	0.00	0.14	0.00
Total IESO Contracted Province-Wide CDM Programs	**1.32**	**3.15**	**1.09**	**2.22**	**1.64**[1]	**9.36**[2]

[1] Program-to-Date savings will not total the line items in the column due to adjustments made to previous years' results which have been factored in to the overall Contribution to Target

4.1 Evaluation

Key findings from the IESO's 2014 Evaluation reports can be found in Appendix B. This information was taken from the LDC Extranet in a documented posted on September 15, 2015 titled: 2014 Key Evaluation Findings.

4.2 Spending

Table 5: 2014 Spending by Initiative

Initiative	Program Administration Budget (PAB)	Participant Based Funding (PBF)	Participant Incentives (PI)	Capability Building Funding (CBF)	TOTAL
Consumer Program					
Appliance Retirement	$13,100.68				$13,100.68
Appliance Exchange	$2,171.61				$2,171.61
Heating & Cooling Incentives	$14,753.12				$14,753.12
Coupon & Retailer Program	$3,252.88				$3,252.88
Residential Demand Response	$19,736.36	$29,185.00			$48,921.36
New Construction Program	$8,105.88				$8,105.88
Business Program					
Efficiency: Equipment Replacement Initiative	$48,218.01		$120,427.80		$168,645.81
Direct Installed Lighting	$13,738.45	$3,000.00	$19,137.25		$35,875.70
Existing Building Commissioning Incentive	$1,229.50				$1,229.50
New Construction and Major Renovation Initiative	$15,825.80				$15,825.80
Energy Audit	$11,745.00		$1,852.20		$13,597.00
Process & System Upgrades	$911.69		$9,945.96		$10,857.65
a) preliminary engineering study	$430.41		$9.945.96		$10,376.37
b) detailed engineering study	$214.42				$214.42
c) program incentive	$266.86				$266.86
Monitoring & Targeting	$266.89				$266.89
Energy Manager					
Key Account Manager (“KAM”)					
Demand Response	$738.77				$738.77
Home Assistance Program	$3,680.40	$6,950.00	$9,893.80		$20,524.20
TOTAL SPENDING	**$158,386.73**	**$39,135.00**	**$161,257.01**		**$368,724.50**

Table 6: Cumulative Spending (2011-2014)

Initiative	Program Administration Budget (PAB)	Participant Based Funding (PBF)	Participant Incentives (PI)	Capability Building Funding (CBF)	TOTAL
Consumer Program					
Appliance Retirement	$70,371.59				$70,371.59
Appliance Exchange	$12,991.47				$12,991.47
Heating & Cooling Incentives	$68,792.25				$68,792.25
Coupon & Retailer	$41,579.37				$41,579.37
Residential Demand Response	$42,089.78	$54,735.00			$96,824.78
New Construction Program	$59,992.49				$59,992.49
Efficiency: Equipment Replacement Initiative	$133,727.73		$244,246.02		$377,973.75
Direct Installed Lighting	$84,664.92	$36,750.00	$166,640.50		$288,055.42
Existing Building Commissioning Incentive	$19,722.23				$19,722.23
New Construction	$64,144.53				$64,144.53
Energy Audit	$61,376.68		$7,711.45		$69,088.13
Process & System Upgrades	$22,715.05		$9,945.96		$32,661.01
a) preliminary engineering study	$11,268.12		$9,945.96		$21,214.08
b) detailed engineering study	$7,405.42				$7,405.42
c) program incentive	$4,041.51				$4,041.51
Monitoring & Targeting	$3,998.09				$3,998.09
Energy Manager					
Key Account Manager ("KAM")					
Demand Response 3	$6,590.82				$6,590.82
Home Assistance Program	$18,500.13	$20,150.00	$19,390.00		$58,040.13
Pre 2011 Programs					
Electricity Retrofit Incentive Program			$15,337.00		$15,337.00
High Performance New Construction					
Initiatives Not In Market					
Midstream Electronics					
Midstream Pool Equipment					
Demand Service Space Cooling	$2,099.49				$2,099.49

Demand Response 1 (Commercial)					
Demand Response 1 (Industrial)	$434.83				$434.83
Home Energy Audit Tool					
TOTAL Province-wide CDM PROGRAMS	**$736,506.50**	**$111,635.00**	**$473,216.89**	**$0.00**	**$1,321,358.39**

5 Combined CDM Reporting Elements

5.1 Progress Towards CDM Targets

The following Tables (7 & 8) report on the final verified results for BCP.

Table 7: Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual (MW)			
	2011	2012	2013	2014
2011 – Verified by IESO	0.4	0.1	0.1	0.1
2012 – Verified by IESO	0.0	0.4	0.3	0.3
2013 – Verified by IESO	0.0	0.0	0.2	0.2
2014– Verified by IESO	0.0	0.0	0.0	1.1
Verified Net Annual Peak Demand Savings in 2014:				**1.6**
BCP 2014 Annual CDM Capacity Target:				**3.3**
Verified Peak Demand Savings Target Achieved (%):				**49.7%**

Table 8: Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual (GWh)				Cumulative (GWh)
	2011	2012	2013	2014	2011-2014
2011 – Verified by IESO	0.4	0.4	0.4	0.4	1.6
2012 – Verified by IESO	0.0	1.4	1.4	1.4	4.2
2013 – Verified by IESO	0.0	0.0	0.7	0.6	1.3
2014– Verified by IESO	0.0	0.0	0.0	2.2	2.2
Verified Net Cumulative Energy Savings 2011-2014:					**9.4**
BCP 2011-2014 Cumulative CDM Energy Target:					**9.9**
Verified Cumulative Energy Target Achieved (%):					**95.0%**

6 CONCLUSION

Over the course of 2014, BCP achieved an incremental 1.1 MW in peak demand savings and 2.2 GWh in energy savings, which represents 33% and 22% of BCP's 2014 targets, respectively. Increased focus on demand savings nearly doubled the contribution from the prior three years, including results from TOU.

The overall results achieved in 2011-2014 are 1.6 MW in peak demand savings and 9.4 GWh in energy savings, which represents 49.7% and 95.0% of BCP's 2014 target, respectively. These results are representative of a considerable effort expended by BCP, in cooperation with other LDCs, customers, channel partners and stakeholders to overcome many operational and structural issues that limited program effectiveness across all market sectors. This achievement is a success and the relationships built within the 2011-2014 CDM program term will serve as a solid foundation for the launch of the Conservation First Framework in 2015.

Future reports on Conservation First will be provided by LDCs to the IESO who will report annually to the OEB.

7 APPENDIX A

Initiative Descriptions

CONSUMER PROGRAMS

Appliance Retirement Initiative

Target Customer Type: Residential customers

Initiative Frequency: Year round

Objectives: Achieve energy and demand savings by permanently decommissioning certain older, inefficient refrigeration appliances.

Description: This is an energy efficiency Initiative that offers individuals and businesses free pick-up and decommissioning of old large refrigerators and freezers. Window air conditioners and portable dehumidifiers will also be picked up if a refrigerator or a freezer is being collected.

Targeted End Uses: Refrigerators, freezers, window air conditioners and portable dehumidifiers

Delivery: IESO centrally contracts for province-wide marketing, call center, appliance pick-up and decommissioning process. LDC provides local marketing and coordination with municipal pick-up where available. Additional detail is available:

- Schedule B-1, Exhibit D http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf and
- saveONenergy website https://saveonenergy.ca/Consumer/Programs/Appliance-Retirement.aspx

In Market Date: February 17, 2011

Appliance Exchange Initiative

Target Customer Type: Residential customers

Initiative Frequency: Spring and fall

Objective: The objective of this Initiative is to remove and permanently decommission older, inefficient window air conditioners and portable dehumidifiers that are in Ontario.

Description: This Initiative involves appliance exchange events. Exchange events are held at local retail locations and customers are encouraged to bring in their old room air conditioners and dehumidifiers in exchange for coupons/discounts towards the purchase of new energy efficient equipment. Window ACs were discontinued from the program in 2013.

Targeted End Uses: Window air conditioners and portable dehumidifiers

Delivery: IESO contracts with participating retailers for collection of eligible units. Additional detail is available:

- Schedule B-1, Exhibit C http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf and
- saveONenergy website https://saveonenergy.ca/Consumer.aspx

Heating & Cooling Incentives Initiative

Target Customer Type: Residential customers

Initiative Frequency: Year round

Objective: The objective of this Initiative is to encourage the replacement of existing heating systems with high efficiency furnaces equipped with Electronically Commutated Motors (ECM), and to replace existing central air conditioners (CAC) with ENERGY STAR qualified systems and products**.**

Description: This is an energy efficiency Initiative that provides rebates for the replacement of old heating or cooling systems with high efficiency furnaces (equipped with ECM) and Energy Star qualified CACs by approved Heating, Refrigeration, and Air Conditioning Institute (HRAI) qualified contractors.

Targeted End Uses: CACs and furnaces

Delivery: IESO contracts centrally for delivery of the program and LDCs are encouraged to convince local contractors to participate in the Initiative. Additional detail is available:

- Schedule B-1, Exhibit B http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf and
- saveONenergy website https://saveonenergy.ca/Consumer.aspx

In Market Date: February 17, 2011

Conservation Instant Coupon Booklet Initiative

Target Customer Type: Residential customers

Initiative Frequency: Year round

Objective: The objective of this Initiative is to encourage households to purchase energy efficient products by offering discounts.

Description: This Initiative provides customers with year round coupons. The coupons offer instant rebates towards the purchase of a variety of low cost, easy to install energy efficient measures and can be redeemed at participating retailers. Booklets were directly mailed to customers and were also available at point-of-purchase. Downloadable coupons were also available at www.saveoneenergy.ca.

Targeted End Uses: ENERGYSTAR® qualified standard Compact Fluorescent Lights (CFLs), ENERGYSTAR® qualified Light Fixtures lighting control products, weather-stripping, hot water pipe wrap, electric water heater blanket, heavy duty plug-in timers, advanced power bars, clothesline and baseboard programmable thermostats

Delivery: The IESO develops the electronic version of the coupons and posts them online for download. Three LDC specific coupons were made available for local marketing and utilization by LDCs. The IESO enters into agreements with retailers to honour the coupons.

Additional detail is available:

- Schedule B-1, Exhibit A http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf and
- saveONenergy website https://saveonenergy.ca/Consumer.aspx

In Market Date: April 2011

Bi-Annual Retailer Event Initiative

Target Customer Type: Residential customers

Initiative Frequency: Bi-annual events

Objective: The objective of this Initiative is to provide instant point of purchase discounts to individuals at participating retailers for a variety of energy efficient products.

Description: Twice a year (spring and fall), participating retailers host month-long rebate events. During the months of April and October, customers are encouraged to visit participating retailers where they can find coupons redeemable for instant rebates towards a variety of low cost, easy to install energy efficient measures.

Targeted End Uses: Same as the conservation instant coupon booklet Initiative

Delivery: The IESO enters into arrangements with participating retailers to promote the discounted products, and to post and honour related coupons. LDCs also refer retailers to the IESO. Additional detail is available:

- Schedule B-1, Exhibit C http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-1%20Residential%20Program.pdf and
- saveONenergy website https://saveonenergy.ca/Consumer.aspx

In Market Date: April 2011

NEW CONSTRUCTION PROGRAM

Target Customer Type(s): Residential Customers

Objective: The objective of this Initiative is to provide incentives to participants for the purpose of promoting the construction of energy efficient residential homes in the Province of Ontario.

Description: This is an energy efficiency Initiative that provides incentives to homebuilders for constructing new homes that are efficient, smart, and integrated (applicable to new single family dwellings). Incentives are provided in two key categories as follows:

- Incentives for homebuilders who install electricity efficiency measures as determined by a prescriptive list or via a custom option.
- Incentives for homebuilders who meet or exceed aggressive efficiency standards using the EnerGuide performance rating system.

Targeted End Uses: all off switch, ECM motors, ENERGY STAR qualified central a/c, lighting control products, lighting fixtures, EnerGuide 83 whole home, EnerGuide 85 whole homes

Delivery: Local engagement of builders will be the responsibility of the LDC and will be supported by IESO air coverage driving builders to their LDC for additional information. Additional detail is available:

- Schedule B-1, Exhibit C http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20B-2%20New%20Construction%20Program.pdf and
- saveONenergy website https://saveonenergy.ca/Consumer.aspx

In Market Date: February 17, 2011

Residential Demand Response Initiative

Target Customer Type(s): Residential and Small Commercial Customers

Initiative Frequency: Year round

Objective: The objectives of this Initiative are to enhance the reliability of the Independent Electricity System Operator controlled grid by accessing and aggregating specified residential and small commercial end uses for the purpose of load reduction, increasing consumer awareness of the importance of reducing summer demand and providing consumers their current electricity consumption and associated costs.

Description*: In* ***peaksaver***PLUS ™ participants are eligible to receive a free programmable thermostat or switch, including installation. Participants also receive access to price and real-time consumption information on an In Home Display (IHD). LDCs were given the choice to continue to offer the standard load control program (programmable thermostat or switch with a $25 bill credit) for the first 8 months of 2011 (referred to as ***peaksaver®*** Extension). After August 2011, the Extension ended and the program (including marketing) ceased until new IHD products were available.

Targeted End Uses: CACs, water heaters and pool pumps

Delivery: LDC's recruit customers and procure technology. Additional detail is available:

- Schedule B-1, Exhibit C http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/SCHED_2011_ResDR_B_3_110727%28MJB%29v15_redacted.pdf and
- saveONenergy website https://saveonenergy.ca/Consumer.aspx

In Market Date: Due to delays in technology availability and interoperability, this program was not in market in 2012.

Low Income Initiative (Home Assistance Program [HAP])

Target Customer Type: Income qualified residential customers

Objective: The objective of this Initiative is to offer free installation of energy efficiency measures to income qualified households for the purpose of achieving electricity and peak demand savings.

Description: This is a turnkey Initiative for income qualified customers. It offers residents the opportunity to take advantage of free installation of energy efficient measures that improve the comfort of their home, increase efficiency, and help them save money. All eligible customers receive a Basic and Extended Measures Audit, while customers with electric heat also receive a Weatherization Audit. The Initiative is designed to coordinate efforts with gas utilities.

Targeted End Uses: End uses based on results of audit

Delivery: LDC delivered. Additional detail is available:

- Schedule E
  http://www.powerauthority.on.ca/sites/default/files/page/Low%20Income%20Schedule%20-%20redacted%20version.pdf

In Market Date: March 2012

COMMERCIAL AND INSTITUTIONAL PROGRAMS

Equipment Replacement Incentive Initiative**:** Commercial, Institutional, Agricultural and Industrial Customers

Initiative Frequency: Year round

Objective: The objective of this Initiative is to offer incentives to non-residential distribution customers to achieve reductions in electricity demand and consumption by upgrading to more energy efficient equipment for lighting, space cooling, ventilation and other measures.

Description: The Equipment Replacement Incentive Initiative (ERII) offers financial incentives to customers for the upgrade of existing equipment to energy efficient equipment. Upgrade projects can be classified as either: 1) prescriptive projects where prescribed measures replace associated required base case equipment; 2) engineered projects where energy and demand savings and incentives are calculated for associated measures; or 3) custom projects for other energy efficiency upgrades.

Targeted End Uses: Lighting, space cooling, air compressors, motors, drives, ventilation and other measures

Delivery: LDC delivered. Additional detail is available:

- Schedule C-2 http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20C-2%20ERII%20Initiative.pdf and
- saveONenergy website https://saveonenergy.ca/Business/Program-Overviews/Retrofit-for-Commercial.aspx

In Market Date: April 2011

Direct Install Lighting Initiative

Target Customer Type: Small Commercial, Institutional, Agricultural facilities and multi-family buildings

Initiative Frequency: Year round

Objective: The objective of this Initiative is to offer a free installation of eligible lighting and water heating measures of up to $1,000 to eligible owners and tenants of commercial, institutional and agricultural facilities and multi-family buildings, for the purpose of achieving electricity and peak demand savings.

Description: The Direct Installed Lighting Initiative targets customers in the General Service <50kW account category. This Initiative offers turnkey lighting and electric hot water heater measures with a value up to $1,000 at no cost to qualifying small businesses. In addition, standard prescriptive incentives are available for eligible equipment beyond the initial $1,000 limit.

Target End Uses: Lighting and electric water heating measures

Delivery: Participants can enroll directly with the LDC, or would be contacted by the LDC/LDC-designated representative. Additional detail is available:

- Schedule C-3 http://www.powerauthority.on.ca/sites/default/files/page/Schedule%20C-3%20Direct%20Install%20Initiative%20-%20redacted.pdf and
- saveONenergy website https://saveonenergy.ca/Business.aspx

In Market Date: May 2011

Existing Building Commissioning Incentive Initiative

Target Customer Type: Commercial, Institutional, and Agricultural Customers

Initiative Frequency: Year round

Objective: The objective of this Initiative is to offer incentives for optimizing (but not replacing) existing chilled water systems for space cooling in non-residential facilities for the purpose of achieving implementation phase energy savings, implementation phase demand savings, or both.

Description: This Initiative offers Participants incentives for the following:

- scoping study phase
- investigation phase
- implementation phase
- hand off/completion phase

Targeted End Uses: Chilled water systems for space cooling

Delivery: LDC delivered. Additional detail is available:

- Schedule C-6 http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20C-6%20Commissioning%20Initiative.pdf and
- saveONenergy website https://saveonenergy.ca/Business/Program-Overviews/Existing-Building-Commissioning.aspx

In Market Date: March 2011

New Construction and Major Renovation Initiative (HPNC)

Target Customer Type: Commercial, Institutional, Agricultural and Industrial Customers

Initiative Frequency: Year round

Objective: The objective of this Initiative is to encourage builders of commercial, institutional, and industrial buildings (including multi-family buildings and agricultural facilities) to reduce electricity demand and/or consumption by designing and building new buildings with more energy-efficient equipment and systems for lighting, space cooling, ventilation and other measures.

Description: The New Construction Initiative provides incentives for new buildings to exceed existing codes and standards for energy efficiency. The Initiative uses both a prescriptive and custom approach.

Targeted End Uses: Building modeling, lighting, space cooling, ventilation and other measures

Delivery: LDC delivers to customers and design decision makers. Additional detail is available:

- Schedule C-4 http://www.powerauthority.on.ca/sites/default/files/page/ScheduleC-4NewContructionInitiativeV2.pdf and
- saveONenergy website https://saveonenergy.ca/Business/Program-Overviews/New-Construction.aspx

In Market Date: November 2011

Energy Audit Initiative

Target Customer Type: Commercial, Institutional, Agricultural and Industrial Customers

Initiative Frequency: Year round

Objective: The objective of this Initiative is to offer incentives to owners and lessees of commercial, institutional, multi-family buildings and agricultural facilities for the purpose of undertaking assessments to identify all possible opportunities to reduce electricity demand and consumption within their buildings or premises.

Description: This Initiative provides participants incentives for the completion of energy audits of electricity consuming equipment located in their facility. Energy audits include development of energy baselines, use assessments and performance monitoring and reporting.

Targeted End Uses: Various

Delivery: LDC delivered. Additional detail is available:

- Schedule C-1 http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20C-1%20Energy%20Audit%20Initiative.pdf and
- saveONenergy website https://saveonenergy.ca/Business/Program-Overviews/Audit-Funding.aspx

In Market Date: March 2011

INDUSTRIAL PROGRAMS

Process & Systems Upgrades Initiative (PSUI)

Target Customer Type: Industrial, Commercial, Institutional and Agricultural Customers

Initiative Frequency: Year round

Objectives: The objectives of this Initiative are to:

- Offer distribution customers capital incentives and enabling Initiatives to assist with the implementation of large projects and project portfolios;
- Implement system optimization projects in systems which are intrinsically complex and capital intensive; and
- Increase the capability of distribution customers to implement energy management and system optimization projects.

Description: PSUI is an energy management Initiative that includes three Initiatives: (preliminary engineering study, detailed engineering study, and project incentive Initiative). The incentives are available to large distribution connected customers with projects or portfolio projects that are expected to generate at least 350 MWh of annualized electricity savings or, in the case of Micro-Projects, 100 MWh of annualized electricity savings. The capital incentive for this Initiative is the lowest of:

a) $200/MWh of annualized electricity savings
b) 70% of projects cost
c) A one year payback

Targeted End Uses: Process and systems

Delivery: LDC delivered. Additional detail is available:

- Schedule D-1 http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20D-1%20Process%20and%20Systems%20Upgrades%20Initiative.pdf and
- saveONenergy website https://saveonenergy.ca/Business.aspx

In Market Date: November 2011

Monitoring & Targeting Initiative

Target Customer Type: Industrial, Commercial, Institutional and Agricultural Customers

Initiative Frequency: Year round

Objective: This Initiative offers access to funding for the installation of Monitoring and Targeting systems in order to deliver a minimum savings target at the end of 24 months and sustain the savings for the term of the M&T Agreement.

Description: This Initiative offers customers funding for the installation of a Monitoring and Targeting system to help them understand how their energy consumption might be reduced. A facility energy manager, who regularly oversees energy usage, will now be able to use historical energy consumption performance to analyze and set targets.

Targeted End Uses: Opportunities to monitor electricity consumption and demand for better real-time management

Delivery: LDC delivered. Additional detail is available:

- Schedule D-2 http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20D-2%20Monitoring%20and%20Targeting%20Initiative.pdf and
- saveONenergy website https://saveonenergy.ca/Business.aspx

In Market Date: November 2011

Energy Manager Initiative

Target Customer Type: Industrial, Commercial, Institutional and Agricultural Customers

Initiative Frequency: Year round

Objective: The objective of this Initiative is to provide customers and LDCs the opportunity to access funding for the engagement of energy managers in order to deliver a minimum annual savings target.

Description: This Initiative provides customers the opportunity to access funding to engage an on-site, full time embedded energy manager, or an off-site roving energy manager who is engaged by the LDC. The role of the energy manager is to take control of the facility's energy use by monitoring performance, leading awareness programs, and identifying opportunities for energy consumption improvement, and spearheading projects. Participants are funded 80% of the embedded energy manager's salary up to $100,000 plus 80% of the energy manager's actual reasonable expenses incurred up to $8,000 per year. Each embedded energy manager has a target of 300 kW/year of energy savings from one or more facilities. LDCs receive funding of up to $120,000 for a Roving Energy Manager plus $8,000 for expenses.
End Uses: Individual or a grouping of customers who require additional technical resources to achieve end-use energy saving reductions

Delivery: LDC delivered. Additional detail is available:

- Schedule D-3 http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20D-3%20Energy%20Manager%20Initiative%202011-2014.pdf and
- saveONenergy website https://saveonenergy.ca/Business.aspx

In Market Date: November 2011

Key Account Manager Initiative

Target Customer Type: Industrial, Commercial, Institutional and Agricultural Customers

Initiative Frequency: Year round

Description: Provide funding to employ a resource to assist in managing relationships with key accounts.

Objective: This Initiative offers LDCs the opportunity to access funding for the employment of a KAM in order to support them in fulfilling their obligations related to the PSUI. The KAM is considered to be a key element in assisting the consumer in overcoming traditional barriers related to energy management and help them achieve savings since the KAM can build relationships and become a significant resource of knowledge to the customer.

Targeted End Uses: LDC(s) who require additionally funded resources to perform sales functions

Delivery: LDC delivered. Additional detail is available:

- ScheduleD-4
  http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/projects_programs/pdfs/PSUI%20Initiative%20Schedule%20D-4.Key%20Account%20Manager.20110322.pdf

In Market Date: March 2012

Demand Response 3

Target Customer Type: Industrial, Commercial, Institutional and Agricultural Customers

Initiative Frequency: Year round

Objective: This Initiative provides for Demand Response (DR) payment for service to DR-3 participants to compensate them for making available electricity demand response during a demand response event**.**

Description: Demand Response 3 (DR-3) is a demand response Initiative for commercial and industrial customers, of 50 kW or greater to reduce the amount of power being used during certain periods of the year. The DR-3 Initiative is a contractual resource that is an economic alternative to procurement of new generation capacity.DR-3 comes with specific contractual obligations requiring participants to reduce their use of electricity relative to a baseline when called upon. This Initiative pays participants to be on standby and energy payments for the actual energy reduction provided during a demand response event. Participants are scheduled to be on standby approximately 1,600 hours per calendar year for possible dispatch of up to 100 hours or 200 hours within that year depending on the contract.

Targeted End Uses: Qualified customers with the ability to perform load shedding/shifting.

Delivery: DR-3 is delivered by Demand Response Providers, under contract to the IESO. The IESO administers contracts with all DRPs and Direct Participants that provide in excess of 5 MW of demand response capacity. IESO provides administration including settlement, measurement and verification, and dispatch. LDCs are responsible for outreach and marketing efforts. Additional detail is available:

- Schedule D-6 http://www.powerauthority.on.ca/sites/default/files/new_files/industry_stakeholders/current_electricity_contracts/pdfs/Schedule%20D-6%20Demand%20Response%203%202011-2014.pdf and
- saveONenergy website https://saveonenergy.ca/Business.aspx

In Market Date: February 2011

Pre-2011 Programs Completed in 2011

Electricity Retrofit Incentive Program (ERIP)

Target Customer Type: Commercial, Institutional, and Agricultural Customers

Initiative Frequency: Year Round

Objective: This captures savings attributed to projects applied for prior to 2011 but completed in 2011.

Description: Refer to Equipment Replacement Incentive Initiative

Delivery: LDC delivered.

High Performance New Construction

Target Customer Type: Commercial, Institutional, and Agricultural Customers

Initiative Frequency: Year round

Objective: This captures savings attributed to projects applied for prior to 2011 but completed in 2011.

Description: Refer to New Construction and Major Renovation Initiative

Delivery: Delivered through IESO contracts with Enbridge and Union Gas.

8 APPENDIX B

2014 Key Evaluation Findings from the IESO

2014 KEY EVALUATION FINDINGS

CONSUMER PROGRAM

Appliance Retirement Initiative

- Participation increased slightly to 22,563 (7.7%) in 2014 compared with 20,952 in 2013.
- Since 2011 overall Initiative participation has decreased nearly 60%.
- The greatest decrease was seen in the number of refrigerators collected year-over-year
- Of appliances collected, refrigerators and freezers remain the most dominate measures accounting for 90%. However, window AC units and dehumidifiers saw a marked increase of 29.6% and 27% respectively in 2014.
- Net to gross ratio (NTG) increased slightly to 47% compared to 43% as reported for 2013 and 2012 program years.

Appliance Exchange Initiative

- Participation in 2014 increased by 6.5% to 5,685 appliances from 5,337 compared to 2013
- Per-unit savings has increased by 36.6% as ENERGY STAR criteria increases and more participants purchase ENERGY STAR replacements appliances. This resulted in a 6.5% increase in Net Energy & Demand savings.
- Net to Gross ratio (NTG) remained unchanged from 2013 at 52.6%

Heating and Cooling Initiative

- In 2014 net savings increased by 20% from 2013 and overall participation increased by 17% to 113,002 compared to 2013
- The ECM measure has remained the dominant source of savings since 2011
- Per unit furnace savings increased 12.7% due to a shift in the number of participants who use their furnace fan continuously both before and after the retrofit.
- Per unit energy and demand savings assumptions for central air conditioners decreased by 56% due to reduced run hours
- Net to Gross ratio (NTG) remained unchanged from 2013 at 48%

2014 KEY EVALUATION FINDINGS

Annual Coupons
• Customers redeemed more than five times as many annual coupons in 2014 as in 2013. In total, approximately 500, 000 Annual Coupons were redeemed in 2014 with 110,000 being LDC Coded Coupons. • There was a further reduction in savings for lighting measures from changes in the baseline due to the phase out of 72W and 100W incandescent bulbs. • Despite the significant per unit savings reductions for lighting measure, the Net Annual Savings from Annual Coupons in 2014 was more than six times that in 2013. This is primarily because of higher participation and the inclusion of LED coupons and full year availability of all coupons. • Measured NTG ratios grew significantly in 2014. The NTG ratio is 53% higher in 2014 than in 2013 due to the inclusion of participant spillover, i.e., purchase of additional coupon initiative measures and general energy efficient measures without the use of a coupon but influenced by the coupon program.

Bi-Annual Coupon Events
• Over 2.5 million coupons were redeemed in 2014 compared with 2013 redemptions • The Bi-Annual Coupon Event saw a substantial increase in the number of coupons redeemed during the Spring and Fall Events in 2014 compared to 2013. The increase can be linked to a substantial increase in LED purchases with event coupons accounting for 84% of all Bi-Annual Coupons redeemed. • Reductions in per unit savings were overshadowed by the increase in coupon redemptions. Overall savings increased by approximately 85% in 2014 compared with 2013 Demand and Energy Savings. • Similar to the Annual Coupon Event measured NTG ratios rose by 53% compared to 2013 NTG ratios. The rise is due to the inclusion of participant spillover, i.e., purchase of additional coupon initiative and general energy efficient measures without the use of a coupon but influenced by the Bi-Annual Coupon event.

***peaksaver*PLUS**
• There were an additional 55,000 CAC load control devices enrolled in the program in 2014 relative to 2013, which increased the capacity of the residential segment of the program from 129 MW in 2013 to 143 MW in 2014. • Ex-ante impacts on a per device basis were lower than 2013 average. • There were no energy savings in 2014 because there were no system-wide events were called. • Load impact estimates for the average small and medium business and for electric water heaters among residential customers remain consistent with prior year's analysis • IHD's yielded no statistically significant energy savings.

2014 KEY EVALUATION FINDINGS

Residential New Construction
• The most significant growth in the initiative has been participation in the prescriptive track. MW savings in the prescriptive track increased from zero summer peak MW savings in 2011 to 352 summer peak kW savings in 2014. • The custom track saw participation for the first time in 2014. One custom project of 55 homes contributed 37 kW demand savings and 0.5 GWh of energy savings. • New deemed savings for performance track homes were developed and implemented, resulting more consistent realization rates for 2014. • ENERGY STAR New Homes was introduced as an eligible measure within the performance track in 2014. As a result, these ENERGY STAR New Homes provided 1% of peak kW savings and 4% of kWh savings.

HOME ASSISTANCE PROGRAM

Home Assistance Program
• Participation decreased by 5 % to 25,424 participants compared with 2013 (26,756). The decrease was due to six LDCs not participating in the Home Assistance Program in 2014. • Realization rates for demand doubled in 2014 to 56% compared with 2013 (26%). However, energy realization rates decreased by 10% to 77% compared with 2013 results. • Realization rate for demand savings increased due to the adoption of the new FAST Tool which incorporated updated kW savings for weatherization measures in particular insulation measures.

BUSINESS PROGRAM

Retrofit
• The number of prescriptive projects increased slightly (1.2%) in 2014 to a total of 4,812. However, total net verified savings and peak demand savings dropped significantly (19% and 30% respectively). This is due to a 19% drop in per-project net verified savings, which can be attributed to lower track level realization rate and net-to-gross ratio and is related to smaller average project sizes. • The quantity of engineered projects increased 22% to a total of 3,906 in 2014, combined with a net verified savings per project increase of 17% the track saw a dramatic 47% increase in net energy savings. • Lower demand realization rates across the program as a whole were tied to equipment differences between reported and calculated values. For lighting projects the difference was most often seen in baseline and retrofit lamp wattages and ballast factors. Non-lighting tracks exhibited lower demand realization rates due to the following factors:

2014 KEY EVALUATION FINDINGS

- Variations in load profiles where the evaluation team found equipment that operated fewer hours or at a lower capacity than expected from the project documentation.
- Inconsistencies in equipment nameplate data (typically efficiency or capacity) between project documentation and equipment installed on-site.
- Weather dependent control systems leading to shifts in how often the equipment operated.

Small Business Lighting

- 23,784 projects were completed in 2014 (34% increase from 2013)
- The category of 'Other' business type projects increased 71% when compared to 2013. Agribusinesses make up 74% of the 'Other' business type category. While growth in the number of projects is good, agribusinesses projects, in particular, have a realization rate of only 58.5%. This is primarily due to the verified annual operating hours being approximately 45% less than the assumed annual operating hours.
- In 2014 LED measures provide the most net savings of any other SBL measure making up 59% of net energy savings in 2014. Their long effective useful life and retention of a larger amount of savings after the baseline adjustment allow LED measures to also contribute substantially more lifetime savings than CFLs and linear fluorescents.
- Overall energy and demand realization rates decreased by 1.8 and 3.1 %, respectively, from 2013.
  - Sampled rural projects have lower energy realization rather than urban projects (63.8% compared to 83.5%) across the 2011 – 2014 sample
  - Sampled rural projects have even lower demand realization rather than urban projects (49.7% compared to 74.1%) across the 2011 – 2014 sample
  - The annual proportion of net energy savings from rural projects has increased from 30% in 2011 to 41% in 2014

Audit Funding

- The number of audits carried out in 2014 decreased by 20% when compared to 2013.
- The average per audit net energy savings attributable to the Audit Funding Initiative was estimated to be 65 MWh and 13 kW of summer peak demands savings.
- Time series analysis quantified additional savings from measures implemented after initial program year. It was found that an additional 7.2%, 5.0% and 0.1% can be added to all previously reported projects in 2011, 2012 and 2013 projects, respectively.

Existing Building Commissioning

- 5 projects completed the Hand-off stage in 2014.

2014 KEY EVALUATION FINDINGS

- Energy realization rate was estimated at 116% and demand realization rate at 202%.
- About 31 participants are still in the scoping stage or implementation stage.

High Performance New Construction

- Savings have increased every year of the initiative with an increased participation of 50% from 2013
- In 2014, most savings came from the custom track providing 71% of demand savings.
- Participation from HVAC measures occurred for the first time in 2014 (providing 14% of summer peak kW savings and 5% of kWh savings).
- The measures with the greatest impact on low realization rates for prescriptive measures were high volume low speed (HVLS) fans and variable frequency drives (VFDs).
- Province-wide realization rates declined slightly for 2014, as a result of the wider variety of measures being implemented.
- Key drivers for participation are: initial project cost, followed by electricity costs and expected energy savings are the key drivers to participation.

2014 KEY EVALUATION FINDINGS

INDUSTRIAL PROGRAM

Process and Systems – Capital Incentive Initiative

• 10 PSUI Capital Incentive projects implemented in 2014, compared to 5 in2013.
  ○ 4 projects are Behind the Meter Generation (BMG) projects.
  ○ The remaining projects were energy efficiency improvements in pumping, cooling, compressed air systems and industrial processes.
• Each project received its own Net to Gross (NTG) value. NTG ratios ranged from 62% to 100% for the 10 projects
• Realization rates remained high in 2014, ranging from 90 to over 100%.

Process and Systems Energy Managers Initiative – Non incented savings
• 379 Energy Manager projects were completed in 2014 compared to 306 in 2013 • Energy Managers are important drivers of non incented savings projects. • In 2014, the Energy Mangers initiative has contributed to 35% of energy savings for Industrial Programs •

Process and Systems Monitoring and Targeting Initiative – Non incented savings
• 5 projects were completed in 2014, compared to 3 in 2013. • Low realization rates (36% for energy savings and 59% for demand savings) are attributed to reported savings based on total potential savings rather than non-incentivized realized savings, while the verified savings only include non-incentivized savings).

2014 KEY EVALUATION FINDINGS

Demand Response - DR-3
• The largest 25 contributors account for 60% of the contractual demand reduction – that is, less than 4% of contributors account for the majority of the load reductions. • A multi-year analysis indicates 2012 was the best year for program performance. After 2012, a single large contributor left the program, resulting in a decrease in overall performance in 2013 and 2014. This highlights the risk having a highly concentrated program with a few large contributors representing a large share of the program capacity. • There were no events called in 2014 and the contracted capacity was similar to 2013.

Note:

The Key Evaluation findings are derived from the 2014 evaluations of the saveONenergy programs. These findings were developed by 3rd party evaluation contractors. Complete findings are detailed in the contractors' full evaluation reports, which will be available publicly in Q4 2015.