



2014

DEMAND SIDE MANAGEMENT AUDIT SUMMARY REPORT

October 19, 2015





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1. Introduction

In accordance with Ontario Energy Board (the Board or the OEB) requirements, an independent audit was conducted on Enbridge Gas Distribution (Enbridge, EGD or the Company) 2014 DSM program results as reported in the Company's 2014 DSM Draft Evaluation Report.

As outlined by the OEB in the DSM Guidelines for Natural Gas Utilities (EB-2008-0346):

"The third party Auditor, although hired by the natural gas utilities, should be independent and ultimately serve to protect the interests of ratepayers.

At a minimum the independent third party Auditor should be asked to:

- provide an audit opinion on the DSMVA, LRAM and incentive amounts proposed by the natural gas utilities and any amendment thereto;
- verify the financial results in the Draft Evaluation Report to the extent necessary to express an audit opinion;
- review the reasonableness of any input assumptions material to the provision of that audit opinion; and,
- recommend any forward-looking evaluation work to be considered.

The independent third party Auditor is expected to take such actions by way of investigation, verification or otherwise as are necessary for the Auditor to form its opinion. Custom projects should be audited using the same principles as any other programs. The independent third party Auditor's work will culminate in its final audit report."

This Audit Summary Report provides a summary of:

- the process undertaken to audit the 2014 DSM Draft Evaluation Report of May 8, 2015
- the impact of the Audit findings and results on the 2014 DSM savings, the associated Demand Side Management Variance Account (DSMVA), Demand Side Management Incentive Deferral Account (DSMIDA) and Lost Revenue Adjustment Mechanism (LRAM) claims; and,
- Enbridge's and the Audit Committee's (AC's) responses to the Auditor's recommendations.

The AC fully endorses the 2014 Audit and Enbridge's post-audit CCM, DSMIDA and DSMVA claims as presented in this report and accepts that the Auditor has reviewed the LRAM calculation. Therefore, the AC supports the clearance of the DSMIDA, LRAM, and DSMVA.

2. Audit Process

2014 Audit Committee

The 2014 Audit Committee (AC) is comprised of three representatives elected from the DSM Consultative and two representatives from the utility. The 2014 AC representatives are:

- Chris Neme – Green Energy Coalition (GEC)
- Judy Simon – Low-Income Energy Network (LIEN)
- Mark Rubenstein – School Energy Coalition (SEC)
- Ravi Sigurdson (prior to Apr 1st, 2015) / Deborah Bullock (as of Apr 1st 2015) – Enbridge Gas Distribution Inc.

Audit Terms of Reference and Selection of Auditor

Through a consensus process, Enbridge, the AC, and the TEC developed the 2014 Audit Terms of Reference. These Terms of Reference formed the 2014 Audit Request for Proposal.

At the first meeting of the 2014 Audit Committee on September 16th, 2014, the AC reached consensus that Optimal Energy would be retained for a second year for the purpose of conducting the 2014 Enbridge DSM Audit. On behalf of the AC, on November 5th, 2014, Enbridge forwarded the Request for Proposal to Optimal Energy, Inc. (Optimal) to undertake the 2014 DSM Audit. Optimal was awarded the contract and began its work on the 2014 Audit on November 14th, 2014.

The 2014 Audit Request for Proposal detailed the overall objective of the audit as well as required tasks and deliverables. A copy of the Request for Proposal can be found attached as Appendix A.

Project Start Up

Optimal submitted its initial proposal on November 12th, 2014 and commenced work on November 14th, 2014 with the Custom Project Savings Verification (CPSV) kick-off conference call meeting. The initial conference call between the 2014 AC and the Auditor took place on December 8th, 2014. Weekly conference calls with the AC and Auditor were scheduled thereafter. As outlined in the Joint Terms of Reference for Stakeholder Engagement, meetings were convened based on quorum, where quorum is defined for the AC as the utility plus two thirds of the intervenors.

Optimal Energy, Inc. submitted a revised final proposal on December 10th, 2014 and a final Work Plan on January 8th, 2015.

Materials Provided to Auditor

In preparation for the audit and throughout the course of the audit process in response to data requests from the Auditor, as outline in the Auditor's Work Plan with and through consensus with the AC, the Auditor was provided documents as requested. These materials included the information listed below:

- ☐ Enbridge's 2014 DSM Draft Evaluation Report
- ☐ Cumulative Cubic Meters (CCM) tracking documentation, records, screening tools, and calculations
 - 2014 CCM Results workbook
 - 2014 DSMIDA calculations workbook
 - 2014 LRAM calculations workbook
 - 2014 DSMVA calculations workbook
- ☐ Custom Commercial and Industrial offering materials:
 - 2014 Commercial Custom Projects Savings Verification Reports
 - 2014 Industrial Custom Projects Savings Verification Reports
 - 2014 Sampling workbooks provided for the random selection of projects for the Custom Project Savings Verification reviews.
 - Sampling methodology guidance documents
- ☐ Run It Right Methodology documentation
- ☐ Enbridge filed plans, OEB guidelines, OEB orders and approved technical reference manuals:
 - EB-2008-0346 – Demand Side Management Guidelines for Natural Gas Utilities
 - OEB Decision Framework
 - Enbridge 2012-2014 DSM Plan (EB-2011-0295)
 - 2013-2014 Update to the Enbridge 2012-2014 DSM Plan (EB-2012-0394)
 - New and Updated DSM measures and Input Assumptions (EB-2014-0354)
 - OEB Decision and Order re: 2012 Clearance of Accounts (EB-2013-0352)
 - OEB Decision and Order re: 2013 Clearance of Accounts (EB-2014-0277)
- ☐ Prior audit reports and recommendations
 - 2012 and 2013 Audit Reports
 - 2012 and 2013 Audit Summary Reports



- ☐ Data tracking records and documents including completed forms, project files, back-up documentation and spreadsheets.

2014 Audit Scope of Work and Approach to Audit

The primary objective of the 2014 audit was to review the Enbridge claims for Cumulative Cubic Meters (CCM) saved, LRAM, DSMVA and DSM Shareholder Incentive for the calendar year ending December 31st, 2014 and to provide an independent opinion on these amounts.

The audit included the additional objectives of recommending future evaluation research opportunities to enhance the assumptions as well as recommendations to improve input assumptions, verification procedures, and the overall audit process.

Drafting of the Work Plan for the 2014 audit began immediately after the initial conference call on December 8th, 2014. A final version of the Work Plan was distributed to Enbridge and the AC on January 8th, 2015. The first key element of the Work Plan was an in depth review of the Commercial and Industrial Custom Project Savings Verification (CPSV) process.

The standardized RFP scope of work was extended to include a provision for the Auditor to work with the CPSV firms throughout their evaluations to enable the review of both the drafts and final verification reports and allow for opportunities to discuss individual projects, findings and adjustment factors recommended during the CPSV firm's review.

The CPSV process involved independent third party engineering firms (one focusing on Commercial and Low Income multi-residential custom projects and the other focusing on Industrial custom projects) reviewing savings estimates for a stratified^{1,2} random sample of commercial and industrial custom projects selected by an independent third party statistical firm through a prescribed, TEC endorsed, sampling methodology. The sampled projects were reviewed in two Waves. Wave 1 included projects that were completed between January and September 2014 and Wave 2 included projects that were completed throughout the entire 2014 program year. As outlined in the Sampling Methodology for Custom C&I Programs³, each of the samples is designed to achieve a targeted 10% precision (two-tailed) at a 90% confidence level (i.e., 90/10). This

¹ "Stratification is recommended in designing samples for evaluating custom C&I programs. Stratification is the practice of disaggregating the population into sub-groups based on some criteria. Strata should be defined such that the strata sample frames are mutually exclusive (i.e., no overlap) and exhaustive (i.e., strata sample frames combine to represent the appropriate population sample frame)." p.13, A Sampling Methodology for Custom C&I Programs" by Navigant Consulting, Inc., revised October 28, 2014.

² "The specific stratification approach will depend on evaluation of the population data." p.14, A Sampling Methodology for Custom C&I Programs" by Navigant Consulting, Inc., revised October 28, 2014. For the 2014 review, the independent contractor (IPSOS) determined that the samples be stratified based on project size and by end use type.

³ A Sampling Methodology for Custom C&I Programs by Navigant Consulting, Inc., revised October 28, 2014.



confidence and precision target is meant to be achieved for each custom program in each program year and reflects industry best practice.

Wave 1 of the 2014 CPSV process commenced in November of 2014. For the Commercial CPSV, as endorsed by the AC, the same engineering firm retained in 2013 was contracted. For the Industrial verification, as endorsed by the AC, the same individual who undertook the 2013 review was contracted for the 2014 verification. The CPSV Terms of Reference along with a project review template⁴, updated and endorsed by the TEC, were provided to the contractors at designated kick-off meetings for each of the Industrial and Commercial contractors. These kick-off meetings were also attended by the Auditor and Enbridge.

Optimal's audit of the custom projects included reviewing CPSV activities and reports. The Auditor attended weekly conference calls with the CPSV firms which allowed the Auditor to provide input and guidance and to review the CPSV firm's progress and approach in real time. These calls were routinely attended by the CPSV firm, the Auditor and Enbridge. The process regarding who would attend meetings was discussed and agreed to by the AC and the Auditor at an AC meeting in mid-December 2014. Based on this discussion, it was understood that the AC were invited to participate in any and all subsequent calls but generally, the AC participated in these calls once the CPSV firms submitted their initial draft reports (at least one AC member was able to attend these meetings). A detailed Audit Meetings Summary is attached as Appendix C.

The Auditor conducted a review of the draft CPSV reports submitted by each of the Commercial and Industrial firms, providing feedback and their opinion on the reasonableness of the adjustments recommended by the CPSV firms. The CPSV draft and final reports were distributed to the Auditor, the AC and the utility simultaneously. The AC was asked to review and provide any comments on these reports.

In response to the 2012 and 2013 Clearance of Accounts proceeding, (EB-2013-0352 and EB-2014-0277) and in response to the OEB decisions in these proceedings, Enbridge and the AC ensured that the key issues raised in the decisions were appropriately addressed throughout the 2014 Audit. This included reviewing the appropriateness of the baseline, measure life, and persistence. Arguments and decisions filed through both EB-2013-0352 (the 2012 Clearance) and EB-2014-0277 (the 2013 Clearance) were shared with the Auditor and AC and considered throughout the 2014 Audit.

In particular, following receipt of the 2013 Clearance Board Decision and Order dated February 26, 2015 which indicated that the Board was "supportive of the proposed [boiler] study in 2015, with the finding being incorporated in the evaluation of the 2014 results", at the AC weekly meeting on March 6th, the Auditor and AC contemplated and discussed the Board's decision and its consideration in the 2014 audit. The AC

⁴ In response to an audit recommendation from the 2013 Enbridge DSM audit to develop a standardized report template for use by the CPSV firms, to ensure each project review included all relevant project information in a consistent format and level of detail, a project template was developed and endorsed by the TEC and included with the CPSV Terms of Reference to be used for each of the 2014 CPSV project reviews.



concluded that a heating boiler baseline study should be conducted. However, the AC had questions regarding who should initiate and oversee the study and whether it should be a joint study with Union Gas. It was agreed that the matter should be raised at the upcoming meeting of the TEC at its next meeting on March 10th, 2015. Further, the AC discussed that the study would not be completed prior to June 2015 and thus could not be incorporated into the Year 2014 audit process and timeline. The AC and Optimal agreed that the Auditor should proceed on its current work plan and schedule with the understanding that the boiler study would not be incorporated into the final Audit Report. The Auditor therefore adopted an approach to make adjustments to baseline assumptions that it considered to be the most reasonable. Where applicable, this action caused the base case seasonal efficiency for boiler projects to be higher, thereby resulting in savings estimates that were lower than those calculated by Enbridge.

The parties agreed that the audit process would continue to take into account the concerns raised in both the Year 2012 and 2013 DSM clearance of accounts proceedings as part of the Year 2014 audit process. These concerns center on measure life and persistence of savings. Both of these issues were fully examined in the Year 2013 Audit and the parties agreed the 2014 review should continue to assure that the best available information is used to inform these items.

Beyond its considerable involvement in the CPSV the Auditor undertook an audit review of the balance of Enbridge 2014 DSM offers. Other key areas of focus as determined by the Auditor's examination process included investigations of the Commercial Run it Right (RIR) offer, the Community Energy Conservation offer, and the Savings by Design Residential and Commercial Market Transformation offers.

The Auditors' Final Work Plan is attached in this report in Appendix B.

2014 Audit Reports

A preliminary draft of Optimal's 2014 Audit Report was circulated to the AC on May 29th, and a revised draft was provided to the AC on June 5th. The AC reviewed the drafts and submitted comments for consideration to ensure accuracy and to provide additional clarity. A subsequent draft was distributed on June 12th and the AC offered additional comments. A further draft update was provided on June 19th. The Final Audit Report was circulated to the AC on June 26th, and the audit was concluded following the submission of a revised final version on June 29th.

The Final Audit Report, dated June 29th was filed on June 30th, 2015 with the Board pursuant to the Regulatory Reporting Requirements.



3. Results Audit

Results Summary:

2014 Recommended CCM, DSMIDA, LRAM and DSMVA

Table 1 provides a summary of the amounts claimed by Enbridge for the 2014 program year compared to the amounts recommended by the Auditor in the Final Audit Report.

The AC accepted the Auditor's recommended adjustments without any further modifications and supports the Final Audit Report figures in Table 1 below.

Table 1. CCM, DSMIDA, LRAM and DSMVA Recommendations

	Enbridge Claim (Pre CPSV/ Pre Audit Value)	Draft Evaluation Report (Post CPSV Value)	Final Audit Value
CCM	781,251,285 m3	710,354,541 m3	719,842,637 m3
DSMIDA	\$8,584,612	\$7,500,805	\$7,647,242 to be collected from ratepayers
LRAMVA	n/a	n/a	(\$65,339) to be paid to ratepayers
DSMVA	\$352,502	\$352,502	\$352,502 to be collected from ratepayers

CCM Results

Table 2 summarizes the Auditor recommended revisions to net m3 gas savings estimates for the Resource Acquisition and Low Income programs. The table details the net CCM values originally claimed by Enbridge; the post-CPSV values reflected in the Draft Evaluation Report and the Auditor's Final Audit Report recommended values.



Table 2. Summary of Audit Adjustments by Program Type

Metric	A Enbridge Claim (Pre- CPSV/Pre- Audit Value)	B Draft Evaluation Report (Post-CPSV)	C Final Audit Value	Difference (C-A)
RESOURCE ACQUISITION				
Residential Community Energy Conservation				
Net CCM (m3)	89,690,562	89,690,562	89,690,562	0
Deep Savings Participants	5,213	5,213	5,213	0
Commercial Offers				
Custom				
Net CCM (m3)	367,051,405	296,577,536	307,222,026	-59,829,379
Prescriptive				
Net CCM (m3)	81,487,407	81,487,407	79,068,251	-2,419,156
Run It Right				
Net CCM (m3)	3,125,440	3,125,440	3,125,440	0
Industrial Offers				
Custom				
Net CCM (m3)	171,655,513	177,320,144	177,663,455	6,007,942
Prescriptive				
Net CCM (m3)	7,598,262	7,598,262	7,598,262	0
TOTAL RESOURCE ACQUISITION CCM	720,608,589	655,799,351	664,367,997	-56,240,592
LOW INCOME				
Single Family (Part 9)				
Net CCM (m3)	25,673,499	25,673,499	25,673,482	-17
Multi-Residential (Part 3)				
Custom Multi-Residential				
Net CCM (m3)	31,705,762	25,618,256	26,537,723	-5,168,039
Multi-Residential - Prescriptive				
Net CCM (m3)	3,263,435	3,263,435	3,263,435	0
Multi-Residential - Low Income Building Performance Management				
% of Part 3 Participants Enrolled	74%	74%	74%	No change
TOTAL LOW INCOME CCM	60,642,696	54,555,190	55,474,640	-5,168,056
Total CCM (m3)	781,251,285	710,354,541	719,842,637	-61,408,648

*Note: No Audit adjustments were made to Market Transformation Programs

*Note: Numbers may not add up due to rounding



AC Response:

The AC supports the foregoing CCM calculations.

DSMIDA Calculations

Table 3 below presents a detailed comparison of the scorecard associated DSMIDA values originally claimed by Enbridge; the post-CPSV associated DSMIDA values reflected in the Draft Evaluation Report; and, the Auditor's Final Audit Report calculated DSMIDA values.

Table 3. DSMIDA – Original Claim and Adjusted Values

Program	Enbridge Claim (Pre-CPSV)	Draft Evaluation Report	Final Audit Value	Increase/ (Decrease)
Resource Acquisition	\$5,963,753	\$5,081,211	\$5,202,419	-\$761,334
Low Income	\$516,873	\$349,830	\$375,059	-\$141,814
Market Transformation	\$2,069,764	\$2,069,764	\$2,069,764	\$0
Total	\$8,550,390	\$7,500,805	\$7,647,242	-\$903,148

AC Response:

The AC supports the foregoing DSMIDA calculations.

LRAM Results

In preparing rates for a given year, the forecast DSM volumes are taken into account. LRAM was established to account for the revenue impact of any variance between the forecast DSM volumes and post audit DSM volumes for the program year. The LRAM only addresses the variance in DSM volumes.

In the 2014 Final Audit Report, the Auditor reviewed and approved Enbridge's LRAM calculation of \$65,339 as the amount to be returned to ratepayers.

Table 4 illustrates the LRAM by rate class. A negative variance is payable to the ratepayers. A positive variance is due from the ratepayers.



Table 4. Audited LRAM Calculation

Rate Class	Net Partially Effective Cubic Meters built into 2014 Rates (m ³)	Actual Net Partially Effective (m ³)	Annual Volume Variance (m ³)	Distribution Margin per m ³ (cents)	LRAM Allocation (Monetized Value of m ³ variance) \$
Rate 110	2,065,678	1,237,361	(828,317)	1.4276	(\$11,825)
Rate 115	1,314,523	846,042	(468,480)	0.7900	(\$3,701)
Rate 135	0	51,608	51,608	1.2753	\$658
Rate 145	2,428,288	467,549	(1,960,740)	1.5397	(\$30,189)
Rate 170	4,942,907	707,329	(4,235,578)	0.4789	(\$20,282)
Total LRAMVA (amount to be paid back to ratepayers)					(\$65,339)

*Note: Numbers may not add up due to rounding

Rate 1 and Rate 6 are not included in the LRAM amount for clearance above as these rate classes are covered under AUTUVA (Average Use True-Up Variance Account).

The agreed upon process with the AC called for Enbridge to calculate LRAMVA once the audited savings values were determined.

Annual Cubic Meters is the unit for the purposes of LRAMVA because Enbridge's rates are based on sales of annual cubic meters not CCM. The cubic meter values are "Net Partial Effective." This is the process that accounts for the fact that measures are installed throughout the year. For example, a measure implemented in October would generate three months' worth of savings for the 2014 calendar year. The number included in the LRAMVA calculation for this measure is therefore the average monthly gas savings multiplied by three.

AUTUVA

DSM is one of several factors contributing to declining average use in Rate 1 and Rate 6. The purpose of the AUTUVA is to record ("true-up") the revenue impact, exclusive of gas costs, of the difference between the forecast of average use per customer, for general service rate classes (Rate 1 and Rate 6), embedded in the volume forecast that underpins Rates 1 and 6, and the actual weather normalized average use experienced during the year.

The revenue impact is calculated using a unit rate determined in the same manner as for the derivation of the Lost Revenue Adjustment Mechanism ("LRAM"), extended by the average use volume variance per customer and the number of customers. This calculation also reflects the impact of any DSM activities, therefore as stated above, the Rate 1 and Rate 6 rate classes are excluded from the LRAM determination.



AC Response:

The AC accepts the foregoing LRAM calculations.

4. Findings & Recommendations

Auditor Recommendations with Enbridge and AC responses

CPSV

1. **Have the CPSV TEs and Enbridge hold extended kick-off meetings to carefully review each of the sampled CPSV projects.** The CPSV TE firm would review the file ahead of time and come to the meeting with any questions or clarifications needed. Enbridge staff would do a brief presentation on each project that would be followed up with a Q&A session with the CPSV TE. A set checklist of items could be established that Enbridge would cover in its presentation. If possible the Auditor should also attend these meetings. Given that some of the CPSV projects are very complicated this would streamline the transfer of information and provide greater project-by-project clarity.

Enbridge Response:

Enbridge agrees with this recommendation. Enbridge proposes an update to the Request for Proposal to the CPSV contractors to include this activity. Enbridge intends to raise this recommendation in its capacity as a member of the Evaluation and Audit Committee (EAC), contemplated in the new governance structure as outlined in the memo from Board dated August 21st, 2015 RE: 2015-2020 Demand Side Management Evaluation Process of Program Results EB-2015-0245.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

2. **If pre and post billing regression analysis is to be used to independently calculate savings by the CPSV TEs, an agreed upon methodology should be established to ensure a consistent approach.** The methodology needs to properly deal with post installation commissioning periods and also properly factor out any pre and post operational changes that could impact the validity of the savings calculation.

Enbridge Response:

Enbridge agrees with the audit recommendation however, as this audit recommendation potentially impacts the CPSV terms of reference, Enbridge intends to raise this recommendation in its capacity as a member of the Evaluation and Audit



Committee (EAC), contemplated in the new governance structure as outlined in the memo from Board dated August 21st, 2015 RE: 2015-2020 Demand Side Management Evaluation Process of Program Results EB-2015-0245.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

3. **CPSV TE Scope of Work should state that CPSV TE should always provide their actual electronic spreadsheet (not pdf) calculations for each project.**

Enbridge Response:

Enbridge agrees with this audit recommendation however, as this audit recommendation potentially impacts the CPSV terms of reference, Enbridge intends to raise this recommendation in its capacity as a member of the Evaluation and Audit Committee (EAC), contemplated in the new governance structure as outlined in the memo from Board dated August 21st, 2015 RE: 2015-2020 Demand Side Management Evaluation Process of Program Results EB-2015-0245.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

4. **The project summary table included in the CPSV TE Scope of Work should include the Enbridge Claimed Measure Life in addition to the CPSV Recommended Measure Life.**

Enbridge Response:

Enbridge agrees with this audit recommendation however, as this audit recommendation potentially impacts the CPSV terms of reference, Enbridge intends to raise this recommendation in its capacity as a member of the Evaluation and Audit Committee (EAC), contemplated in the new governance structure as outlined in the memo from Board dated August 21st, 2015 RE: 2015-2020 Demand Side Management Evaluation Process of Program Results EB-2015-0245.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

5. **For Commercial CPSV projects, a standard table should be included with each project that shows the seasonal and non-seasonal gas consumption values for each scenario – existing case, base case and proposed efficiency case.**



Enbridge Response:

Enbridge agrees with this recommendation. This guidance can be communicated to the CPSV firm at the kick-off meeting. Enbridge intends to raise this recommendation in its capacity as a member of the Evaluation and Audit Committee (EAC), contemplated in the new governance structure as outlined in the memo from Board dated August 21st, 2015 RE: 2015-2020 Demand Side Management Evaluation Process of Program Results EB-2015-0245.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

6. **A CPSV Glossary of Terms (Existing Case, Base Case, Non-Seasonal load, etc.) should be established.** The glossary could be included in the CPSV TE Scope of Work. This would provide a consistent and common understanding of technical terms for all parties (Auditor, Enbridge staff, CPSV staff and AC) involved.

Enbridge Response:

Enbridge agrees with this audit recommendation. Enbridge intends to raise this recommendation in its capacity as a member of the Evaluation and Audit Committee (EAC), contemplated in the new governance structure as outlined in the memo from Board dated August 21st, 2015 RE: 2015-2020 Demand Side Management Evaluation Process of Program Results EB-2015-0245.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

7. **On boiler replacement projects, if the supply and return temperatures for the new installed efficient boiler are set higher than the existing boiler, the CPSV TE should verify with the customer that they did indeed raise the temperatures for the new system.** It does not make sense that the new boiler would have temperature settings that would make it less efficient. It is possible that the temperatures listed in the Enbridge file for the existing boilers might be incorrect.

Enbridge Response:

Enbridge agrees with this recommendation. This guidance can be communicated to the CPSV firm at the kick-off meeting. Enbridge intends to raise this recommendation in its capacity as a member of the Evaluation and Audit Committee (EAC), contemplated in the new governance structure as outlined in the memo from Board dated August 21st, 2015 RE: 2015-2020 Demand Side Management Evaluation Process of Program Results EB-2015-0245.



AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

8. **If there are a significant number of stockpile yard paving projects in the industrial portfolio, suggest conducting a study of stockpile moisture reduction due to paving in Enbridge's specific territory (i.e., account for precipitation, temperature differences, etc.).** Current estimates are based on research conducted in Tennessee.⁵

Enbridge Response:

Enbridge agrees to conduct a study of stockpile moisture reduction due to paving in Enbridge's service territory.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

Run it Right

9. **Survey Run It Right participants prior to the installation of any measures, making it part of the start-up paperwork.** This would provide a better set of real time base case information for each project that can be compared to a post installation survey to see if there were any changes that could impact gas consumption that were outside of the Run It Right program.

Enbridge Response:

Beginning with the enrollment of participants in 2016, Enbridge will incorporate a process to ensure that initial data collection includes appropriate base case information for each participant to determine if there are any factors that could impact gas consumption that should be considered.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

⁵ This auditor recommendation has been reproduced here verbatim as written in the auditor's audit report however, for clarity it should be noted that though the research referenced in the recommendation was conducted by an organization based in Tennessee, the location of the facility on which the research estimates were based is actually located in North Carolina. Both the Enbridge response and the AC response are provided with this understanding.

10. **Require Run It Right participants to complete a post installation survey as part of allowing the customer to enroll in the program.** Also consider providing the participant with some sort of enticement (gift card, entry into drawing to win prize, etc.) to get them to undertake the post installation survey.

Enbridge Response:

Beginning with the enrollment of participants in 2016, Enbridge will incorporate a process to ensure that as a condition of participating, customers will be expected to provide post installation information to determine if there are any factors that could have impacted gas consumption that should be considered.

AC (Intervenor Members) Response:

The AC (Intervenor Members) endorses this response.

11. **Consider not using CCM as the metric for the Run it Right program.** Satisfactorily assessing and interpreting pre- and post-billing consumption data has proven to be difficult. These projects typically involve large buildings that can undergo hard to quantify changes in usage and operation from year-to-year. Using a metric such as number of participants, percent of market and/or number of Run It Right measures.

Enbridge Response:

Enbridge agrees that an alternative metric to CCM may be more suitable for the Run it Right offering. Enbridge has proposed an additional metric in its 2015-2020 Multi-Year DSM Plan (EB-2015-0049) which is subject to review/approval following the current OEB proceeding.

AC (Intervenor Members) Response:

Some of the AC members disagree with this recommendation. Like Enbridge we note that the issue of whether an alternative RiR metric should be used is before the Board in the utility's 2015-2020 DSM plan case. Thus a determination of the appropriateness of this recommendation will need to be made by the Board.



Appendix “A”

2014 Audit & CPSV Meeting Summaries



2014 Audit and CPSV Meetings Summaries

2014 Audit Meetings

Date	Activity	Attendees		
		Audit Committee	Auditor	Enbridge
16-Sep-14	1st EGD 2014 Audit Committee (AC) Meeting	X		X
20-Oct-14	Joint EGD/UG AC Conference Call to draft Auditor RFP terms of reference	X		X
21-Nov-14	AC Conference Call	X		X
8-Dec-14	Audit Kick-Off Meeting	X	X	X
17-Dec-14	AC Weekly Conference Call	X	X	X
7-Jan-15	AC Weekly Conference Call	X	X	X
22-Jan-15	AC Weekly Conference Call	X	X	X
28-Jan-15	AC Weekly Conference Call	X	X	X
4-Feb-15	AC Weekly Conference Call	X	X	X
11-Feb-15	AC Weekly Conference Call	X	X	X
19-Feb-15	AC Weekly Conference Call	X	X	X
25-Feb-15	AC Weekly Conference Call	X	X	X
6-Mar-15	AC Weekly Conference Call	X	X	X
12-Mar-15	AC Weekly Conference Call	X	X	X
8-Apr-15	AC Weekly Conference Call	X	X	X
15-Apr-15	Final CPSV Report Review	X	X	X
17-Apr-15	Final CPSV Report Review	X	X	X
22-Apr-15	AC Weekly Conference Call	X	X	X
29-Apr-15	AC Weekly Conference Call	X	X	X
13-May-15	AC Weekly Conference Call	X	X	X
21-May-15	AC Weekly Conference Call	X	X	X
3-Jun-15	AC Weekly Conference Call	X	X	X
10-Jun-15	AC Weekly Conference Call	X	X	X
18-Jun-15	AC Weekly Conference Call	X	X	X
24-Jun-15	AC Weekly Conference Call	X	X	X
22-Jul-15	AC Conference Call	X		X
29-Jul-15	AC Conference Call	X		X
8-Oct-15	AC Conference Call	X		X
14-Oct-15	AC Conference Call	X		X



2014 Custom Project Savings Verification (CPSV) Meetings

Date	Commercial	Industrial	Attendees			
			CPSV	Auditor	Enbridge	AC
13-Nov-14	Wave 1 Kick-off Meeting		X	X	X	
17-Nov-14		Wave 1 Kick-off Meeting	X	X	X	
25-Nov-14	Weekly Conference Call	Weekly Conference Call	X	X	X	
4-Dec-14	Weekly Conference Call	Weekly Conference Call	X	X	X	
11-Dec-14	Weekly Conference Call	Weekly Conference Call	X	X	X	
17-Dec-14	Weekly Conference Call	Weekly Conference Call	X	X	X	
8-Jan-15		Weekly Conference Call	X	X	X	
16-Jan-15		Weekly Conference Call	X	X	X	
4-Feb-15		Review Wave 1 Report/Optimal Memo	X	X	X	X
5-Feb-15	Wave 2 Kick-off Meeting	Wave 2 Kick-off Meeting	X	X	X	
11-Feb-15	Review Wave 1 Report/Optimal Memo		X	X	X	X
12-Feb-15		Review Wave 1 Report/Optimal Memo	X	X	X	X
18-Feb-15	Weekly Conference Call	Weekly Conference Call	X	X	X	X
26-Feb-15	Weekly Conference Call	Weekly Conference Call	X	X	X	X
5-Mar-15	Weekly Conference Call	Weekly Conference Call	X	X	X	X
12-Mar-15	Weekly Conference Call	Weekly Conference Call	X	X	X	X
2-Apr-15	Review Wave 1 & 2 Draft Report/Optimal Memo	Review Wave 1 & 2 Draft Report/Optimal Memo	X	X	X	X
7-Apr-15	Review Wave 1 & 2 Draft Report/Optimal Memo	Review Wave 1 & 2 Draft Report/Optimal Memo	X	X	X	X



Appendix “B”

Request for Proposal Independent Audit of Enbridge Gas Distribution 2014 DSM Program Results



Enbridge Gas Distribution

Request for Proposal

Independent Audit of 2014 DSM Program Results

BACKGROUND

Enbridge Gas Distribution (EGD) has been delivering Demand Side Management (DSM) initiatives since 1995 to its broad customer base. DSM activities include planning, developing, implementing and evaluating energy efficiency initiatives for residential, commercial, industrial and low income markets. The utility's DSM activities are regulated by the Ontario Energy Board (OEB/Board) and adhere to the requirements as laid out in EB-2008-0346, the DSM Guidelines for Natural Gas Utilities (Guidelines).

The Guidelines include two financial mechanisms: the Demand Side Management Variance Account (DSMVA) and the Lost Revenue Adjustment Mechanism (LRAM), with a provision for a DSM Shareholder Incentive. For 2014, the Guidelines establish an annual cap for the 2014 DSM Shareholder Incentive at \$10,872,180.

Program results are presented in a detailed Draft Evaluation Report which is then subject to a third party audit. The 2014 DSM Draft Evaluation Report contains a review of DSM program results across Resource Acquisition, Low Income and Market Transformation program types and will be provided to the auditor.

As part of the current framework, the utilities worked with intervenor (active participants before the OEB) stakeholder groups to develop a "Joint Terms of Reference on Stakeholder Engagement for DSM Activities by Enbridge Gas Distribution Inc. and Union Gas Limited" (ToR) for the 2012-2014 Plan period.⁶

In accordance with the ToR, each utility will have an Audit Committee (AC). Comprised of three intervenor representatives and a utility representative, the goal of the AC is to ensure that there is, each year, an effective and thorough audit of the utility's DSM results.

OBJECTIVE

The primary objective of the audit is to provide an independent opinion to DSM stakeholders (i.e. the OEB, Intervenor consultative members, and the utility), that serves to determine if the DSMVA, LRAM and utility DSM Shareholder Incentive calculations are appropriate. The auditor should include in their final report or subsequent memo an independent professional opinion in the following form, with or without qualifications:

⁶ Joint Terms of Reference on Stakeholder Engagement for DSM Activities by Enbridge Gas Distribution Inc. and Union Gas Limited, November 4, 2012.



We have audited the Evaluation Report, DSM Shareholder Incentive, Lost Revenue Adjustment Mechanism (LRAM) and Demand Side Management Variance Account (DSMVA) of the utility for the calendar year ended December 31, 2014. The Evaluation Report and the calculations of DSM Shareholder Incentive, LRAM, and DSMVA are the responsibility of the company's management. Our responsibility is to express an opinion on these amounts based on our audit.

We conducted our audit in accordance with the rules and principles set down by the Ontario Energy Board in the DSM Guidelines for Natural Gas Utilities (EB-2008-0346). Details of the steps taken in this audit process are set forth in the Audit Report that follows, and this opinion is subject to the details and explanations therein described.

In our opinion, and subject to the qualifications set forth above, the following figures are calculated correctly using reasonable assumptions, based on data that has been gathered and recorded using reasonable methods and accurate in all material respects, and following the rules and principles set down by the Ontario Energy Board that are applicable to the 2014 DSM programs of the utility:

DSM Shareholder Incentive Amount Recoverable	-	\$ x,xxx,xxx
LRAM Amount Recoverable	-	\$ x,xxx,xxx
DSMVA Amount Recoverable	-	\$ x,xxx,xxx

REPORTING STRUCTURE

The 2014 Enbridge Gas Distribution AC members are:

Chris Neme representing Green Energy Coalition;
Mark Rubenstein representing School Energy Coalition;
Judy Simon representing Low Income Energy Network; and,
Ravi Sigurdson, Enbridge Gas Distribution.

The AC members, together with the utility representative, endeavor to reach consensus on both a bidders list for the auditor RFP and selection of the winning bid. In the event consensus is not possible, the utility has responsibility for final selection of the firms on the bidders list and the non-utility AC members make the final decision on the selection of the auditor from among those submitting bids. In practice, consensus on both has been the norm.

The following excerpts from the ToR outline the primary function of the AC with respect to the Audit itself:

- “The auditor will receive guidance and direction from the AC (e.g., on the scope of work, draft work plans, and draft work products). However, the auditor’s report and effort will be independent of utility or intervenor control or influence.”⁷

⁷ Joint ToR on Stakeholder Engagement for DSM Activities by Enbridge Gas Distribution Inc. and Union Gas Limited, November 4, 2012, page 15 of 21.



- The AC will make recommendations based on the Audit Report regarding the utility's claims regarding DSM results and DSMVA, LRAM, and utility DSM Shareholder incentives through the AC Report submitted to the Board.

The AC will also help to ensure that the process enables the utility to file the Final Audit Report and recommended DSMVA, LRAM and DSM Shareholder Incentive claims by June 30th as required by the Board's Directive and in keeping with the Guidelines.

While the AC will provide guidance and direction throughout the audit process, "The utility will administer the audit contract and hold the auditor accountable to the terms of the contract."⁸

The initial start-up meeting with the auditor will be held with all members of the AC to ensure a consistent understanding among all parties of the scope and expectations of the independent audit. Regular additional meetings between all Committee members and the auditor will be arranged for group discussion and progress reporting. Meetings will be held at Company offices or through conference calls as appropriate.

SCOPE AND REQUIREMENTS

The auditor shall, at a minimum:

- provide an audit opinion on the DSMVA, LRAM and DSM Shareholder Incentive amounts proposed by the natural gas utility and any amendment thereto;
- identify any input assumptions that either warrant further research or that should be updated with new best available information;
- audit the reasonableness of Custom Project Savings Verification (CPSV) reports produced by independent 3rd-party engineering firms and, if necessary and appropriate, propose modifications to custom C&I project savings realization rates;
- audit the reasonableness of any other evaluation work (examples include but are not limited to - studies of installation rates and/or persistence of installation of measures) that has been undertaken to inform utility savings estimates; and,
- recommend any forward-looking evaluation work to be considered.

The auditor selected for this task will be expected to exercise his/her expert judgment to determine the elements of the audit, and to set the approach and process that will be followed in the audit in order to meet the regulatory requirements as stated above.

The deliverable will be a written report outlining the principles of the audit, the methodology followed, and the findings and recommendations of the audit, including an opinion in the form set forth above.

The following list outlines activities that are expected to be carried out for the purpose of this audit. In their review of the DSM program results from Resource Acquisition, Low Income and Market Transformation program types, the auditor is encouraged to propose other tasks that they believe would be helpful in reaching the study objective.

⁸ Ibid, page 15 of 21.



Audit Activities

1. The auditor will review the accuracy and reasonableness of the utility's claims regarding achievement relative to Resource Acquisition, Low Income and Market Transformation performance metrics.
2. Consider and respond to stakeholder comments on the utility's Draft Evaluation DSM Report for 2014, including those of the AC.
3. Review the utility's 2014 procedures for tracking program participants and determine whether they lead to accurate counts, particularly for programs that do not provide customer rebates.
4. Determine whether the utility's reported values for participation and measure input assumptions are appropriate for calculation of LRAM and DSM Shareholder Incentive. This shall include assessing:
 - (i) whether values are adequately documented by program records, evaluation studies and other relevant data; and
 - (ii) the reasonableness of prescriptive measure input assumptions – measure lives, annual gas savings and free rider rates – for the calculation of LRAM and DSM Shareholder Incentives. The auditor will be provided with the most recent set of prescriptive measure input assumptions upon which the utility relies in estimating savings.⁹ Note that only some of those prescriptive assumptions were reviewed and approved by the Technical Evaluation Committee (TEC). Only the TEC-approved assumptions will be rebuttably presumed to be correct unless the auditor has compelling information to the contrary. Recommendations to change input assumption must be explained and, to the extent practical, documented with appropriate references and/or other forms of substantiation.
5. Review measures that are considered advancements (sometimes called “early retirement” measures) rather than purchases at times of natural equipment replacement to ensure measure lives and gas savings are treated appropriately.
6. Review and verify the accuracy of all calculations leading up to the proposed DSMVA, LRAM, and DSM Shareholder Incentive amounts and verify that the calculations are consistent with the Board-approved prescribed methodology.
7. In accordance with OEB direction, the utility, in consultation with their AC have retained independent third party engineering consultants to undertake a detailed evaluation of gross savings estimates for custom projects under what is commonly called their Custom Project Savings Verification (CPSV) process. The CPSV Terms of Reference will be provided to the auditor. These Terms of Reference include a detailing of the types of information the CPSV firms are expected to provide for each project they review in their CPSV evaluation reports. The AC has made provision for the auditor to work with the selected CPSV firm to enable the review of both the draft and final reports and an opportunity to discuss individual projects, any findings and adjustment factors

⁹ “If the input assumptions used by the natural gas utilities vary from those on the Board’s approved list, the variation(s) should be identified, and additional information supporting the variation(s) should be filed.” EB-2008-0346, the DSM Guidelines for Natural Gas Utilities, page 40.

recommended throughout the CPSV firm's evaluation. The Auditor will be expected to provide its independent opinion on all claimed results, including those that come out of the CPSV process. This will include its opinion on the reliability and reasonableness of the error ratio (and/or realization rate) from the CPSV reports when applied to a larger population of custom projects. Recommendations to change findings from those recommended by the CPSV firm must be explained and, to the extent practical, documented with appropriate references and/or other forms of substantiation. If the auditor cannot identify a reference, the auditor must provide a reasonable rationale for its assumption.

8. The auditor will also review all verification studies conducted in support of the DSM Evaluation Report and ensure the conclusions are sound and that the results have been appropriately incorporated into the calculation of the DSM Shareholder Incentive.
9. Identify any assumptions underlying the utility's DSM program design that should be modified prospectively, based on the auditor's experience, the results of the audit, and knowledge of other studies or data.
10. Identify future evaluation research opportunities to enhance the assumptions used to calculate the DSM Shareholder Incentive and LRAM.
11. Work with the AC and the utility to resolve any relevant issues prior to completion of the audit.
12. Identify any other matters considered by the auditor to be relevant to an assessment of the utility's DSMVA, LRAM and DSM Shareholder Incentive claims.

Audit Resources

To assist the auditor in conducting the audit, all relevant EGD documentation will be made available to the auditor for review. EGD is committed to providing the necessary data and tools the auditor deems reasonably necessary in order to meet the ultimate goal of the audit.

SCHEDULE

Following the Board Directive of December 2004, the independent audit of DSM results is to be completed and a recommendation filed with the Board by the last day of the sixth month after the financial year end.

Due to the importance to meet these Board imposed deadlines, the auditor will be contractually bound to meet the deadlines outlined in their proposal. If due to the auditor's negligence, the auditor has not provided the AC with the deliverables, 10% of the amount payable to the auditor may be deducted for each week beyond the deliverable dates specified herein that the auditor has not provided the AC with the deliverables.



2014 DSM Audit - Proposed Schedule	
Activity	Due Date
RFP sent to auditor	week of November 3rd
Proposal due from auditor - 4pm EST	12-Nov-14
CPSV Wave 1 Kick Off Meetings	week of November 10th
Contract awarded	week of November 17th
Audit Work Plan due from auditor	week of November 17th
Auditor/AC Launch Meeting	week of November 17th
CPSV Wave 1 Draft Report	week of January 12th
CPSV Wave 2 Kick Off Meetings	week of February 2nd
CPSV combined Wave 1 & Wave 2 Draft Report	week of March 2nd
CPSV Final Report	week of March 16th
DSM Draft Evaluation Report Distributed	10-Apr-14
AC and Consultative Comments on Draft Evaluation Report	17-Apr-14
Draft Audit Report	22-May-14
Response from AC	29-May-14
Final Draft Audit Report	19-Jun-14

SELECTION CRITERIA

Proposals will be evaluated on the following criteria listed in approximate order of importance:

Qualifications & Experience of Project Team

- Qualification and experience of key project personnel in evaluation of natural gas utility DSM programs;
- Relevant engineering experience (preference for a PEng), particularly in understanding Commercial and Industrial Custom Projects;
- Demonstrated ability to work with (and be viewed as credible and objective by) a variety of different types of stakeholders, including utilities, environmental groups, consumer groups and industry;
- Experience in Ontario and knowledge of the DSM regulatory framework for natural gas utilities;
- Experience to include both market transformation and resource acquisition programs for all market sectors (residential, commercial, industrial, and low-income).

Approach

- Logical presentation of a reasonable, clear, and comprehensive approach and method; and supporting rationale for approach including description of quantitative and qualitative assessments that will be conducted;
- Quality, depth and clarity of writing in the proposal and work plan.

Cost and Administration

- Reasonableness of cost proposal including allocation of dollars per task and team member;
- Ability to work in Eastern Standard Time (E.S.T.) regular business hours.

MANDATORY PROPOSAL REQUIREMENTS

The proposal must include the following elements:

- A clear disclosure of any potential conflict of interest;
- A description of the methodology and approach to be used in the audit;
- A list of proposed tasks;
- Suitable information for the AC to determine the qualifications of individuals and their roles in the project:
 - Breadth of expertise in impact evaluations of gas DSM
 - Experience in developing deemed savings and/or review of year end savings calculations
 - Identify exact nature of historic experience with DSM in Ontario
 - Identify and describe technical expertise that the firm would bring to the role for the review of the CPSV
 - Focus on examples of experience in the past 5 years;
- Confirmation that the proponent will be able to meet the utility's contractor insurance and WSIB requirements as described in the attachment; and,
- Confirmation of ability to meet timelines or specific reasons why a deviation from the schedule is required.

The cost proposal must include:

- Breakout of costs by task and roles;
- Assumptions regarding the number of meetings at the utility offices and the associated costs; and,
- Hourly rates for additional related work such as appearing as an expert witness at the OEB.

Proposals are due no later than **4:00pm E.S.T. November 12th, 2014**. Proposals must be submitted in electronic format via email.

Questions of clarification should be directed to the utility representatives at the coordinates indicated below. Responses to questions of clarification will be circulated to all respondents.

Proposals must be sent to the attention of all stakeholders listed in Appendix A.

APPENDIX A – AUDIT CONTACTS

Enbridge Gas Distribution Representatives

Deborah Bullock - deborah.bullock@enbridge.com

Ravi Sigurdson - ravi.sigurdson@enbridge.com

Intervenor Representatives:

Chris Neme - cneme@energyfuturesgroup.com

Mark Rubenstein - mark.rubenstein@canadianenergylawyers.com

Judy Simon - judysimon@jsimon.net



Appendix “C”

Audit Final Work Plan (submitted by Optimal Energy, Inc.)

**Independent Audit of Enbridge Gas Distribution 2014
DSM Program Results:
FINAL WORK PLAN**

**Prepared for the
Enbridge Gas Distribution Audit Committee**

**by
Optimal Energy, Inc.**

January 8, 2015

**Optimal Energy, Inc.
802-482-5600**

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INTRODUCTION AND OBJECTIVES

Enbridge Gas Distribution (Enbridge) operates a series of demand side management (DSM) programs in accordance with its 2012-2014 Multi-Year Plan approved by the Ontario Energy Board (OEB).¹ Enbridge receives a combination of direct cost recovery and performance-based payments associated with its program delivery. The OEB and Enbridge's Audit Committee (AC) require an independent third-party review of Enbridge's DSM Evaluation Report and supporting calculations to ensure that savings claims and performance-based payment calculations are correct.

Enbridge issued a Request for Proposal to Optimal (RFP) on behalf of its Audit Committee to undertake the Year 2014 Audit on November 5, 2014. Optimal Energy Inc. submitted its initial proposal on November 12, 2014 and a final proposal on December 12, 2014. Optimal was subsequently awarded the contract.

The primary objective of this audit is to review Enbridge's calculations for Cumulative Cubic Meters (CCM) saved, the DSM Shareholder Incentive, the Lost Revenue Adjustment Mechanism (LRAM), and the Demand Side Management Variance Account (DSMVA) for the calendar year ended December 31, 2014, and to express an independent opinion on these amounts. If the Enbridge-reported amounts differ from what Optimal believes to be correct, Optimal will present alternative values. As required in the RFP, the auditor has a secondary role to recommend any forward-looking evaluation work for consideration.

This audit will be conducted under the direction of the AC and in accordance with the:

- rules and principles set down by the Ontario Energy Board in its Decision with Reasons dated June 30, 2011, in EB-2008-0346;
- Joint Terms of Reference for Stakeholder Engagement for DSM Activities, OEB File No.: EB-2011-0295, Exhibit B Tab 2 Schedule 9, Appendix A dated November 14, 2011; and
- Enbridge Gas Distribution Request for Proposal for Independent Audit of 2014 DSM Program Results issued on November 5, 2014.

Optimal will perform this audit as further described below.

¹ Settlement Agreement Enbridge Gas Distribution Inc. Demand Side Management Multi-Year Plan 2012-14, Exhibit B, Tab 2, Schedule 9 OEB Case EB-2011-0295 and Enbridge Gas Distribution Inc. Update to the 2012 to 2014 Demand Side Management Plan OEB File No.: EB-2012-0394

TASK 1: PLANNING, MEETINGS AND WORK PLAN

TASK 1.1 – AUDIT KICK-OFF CONFERENCE CALL

Optimal staff will participate in a kick-off conference call with Enbridge's DSM staff and the Audit Committee (AC). The purpose of this meeting will be to:

- Re-introduce the Optimal team and the roles for each of its staff
- Obtain feedback from the AC as to any particular areas of focus for this year's audit

Deliverable

Optimal will provide summary meeting minutes intended to capture action items or decisions within three days following the conference call.

Schedule

The kick-off conference call was held on December 8, 2014.

TASK 1.2 - FINAL WORK PLAN

Optimal will submit a draft work plan to Enbridge and the AC subsequent to the Audit Kick-Off Conference call. The work plan will be based on the RFP requirements and in accordance with OEB procedures. Optimal will finalize the work plan based on AC feedback.

Deliverables

1. Draft work plan
2. Final work plan

Schedule

The draft work plan was submitted on December 12, 2014. Enbridge and the AC reviewed and provided comments on the draft plan by January 5, 2014. Optimal revised the work plan and submitted the final work plan on January 8, 2015.

TASK 1.3 – CPSV KICK-OFF CONFERENCE CALLS

Optimal staff will participate in both the commercial and industrial CPSV kick-off meetings via teleconference. These meetings will include Enbridge staff and the two independent CPSV Technical Evaluators (CPSV TE), one each for commercial and industrial projects. Optimal will carefully review the CPSV TE request for proposals prior to these meetings.

Involvement at each of these kick-off meetings will allow Optimal to ensure that expectations for each CPSV TE are clearly set. This will help ensure that their verification work will meet OEB requirements and industry standards; will encompass the level and quality of project information that will allow Optimal to provide its independent audit opinion as to the CPSV savings claims; and that all parties are clear on the objective of the CPSV TEs to provide their independent, professional opinion and recommendation regarding the savings estimates

Optimal Energy Inc. Year 2014 DSM Audit Work Plan

for the projects they have been tasked with evaluating. This is an enhancement from last year, when Optimal did not begin its work until after the CPSV TEs had completed their “Wave One” draft reports.

Deliverables

There are no deliverables for Task 1.3.

Schedule

The commercial CPSV kick-off conference call was held on November 13, 2014.

The industrial CPSV kick-off conference call was held on November 17, 2014.

TASK 1.4 – DATA AND DOCUMENT COLLECTION

Optimal will not be conducting an on-site visit. Given that the Year 2014 DSM programs are essentially the same as the Year 2013 programs, Optimal does not feel it is cost-effective for staff to travel to Enbridge’s offices to conduct in-person interviews and data collection. In addition, Optimal already has on-hand all of the pertinent OEB orders, approved filed input assumptions, and DSM plan filings for Enbridge’s OEB Approved 2012-2014 Multi-Year DSM Plan.

The first step for this year’s audit this task will be to ascertain if any significant changes were made to Year 2014 DSM programs. Optimal staff will query each of Enbridge’s DSM Managers regarding any program changes implemented in 2014. If changes were made, Optimal will collect all relevant materials that document these changes. Next, Optimal will request any new verification or evaluation studies that were performed in 2014. Finally, Optimal will request the full set of measure level savings data and Enbridge’s DSMVA, LRAM and DSM Shareholder Incentive calculation workbooks.

Deliverables

1. Brief written data request for each Enbridge DSM manager regarding Year 2014 program changes.
2. Data request to obtain verification and evaluation studies.
3. Data request to obtain measure level data and calculation workbooks.

Schedule

1. Program change data request will be submitted by Optimal to Enbridge on January 30, 2015. Optimal requests that Enbridge provide its response by February 20, 2015.
2. Data request to obtain verification and evaluation studies will be submitted by Optimal to Enbridge on February 27, 2015. Optimal requests that Enbridge provide its response by March 31, 2015.
3. Data request to obtain measure level data and calculation workbooks will be submitted by Optimal to Enbridge on March 31, 2015. Optimal requests that Enbridge provide its response by April 10, 2015.

TASK 1.5 - WEEKLY MEETINGS

Optimal staff will participate in weekly AC and CPSV TE meetings via teleconference. In addition weekly project management conference calls will be held between Optimal's Audit Manager and Enbridge's Audit Manager.

The AC meetings will allow Optimal to raise any audit related issues and obtain AC feedback and suggestions as to their resolution. Optimal will recommend agenda items as they pertain to the audit and will issue meeting notes or action items following each meeting.

The CPSV meetings will allow Optimal to provide input and recommendations to the CPSV contractors prior to the completion of their verification work. These meetings will also allow Optimal to request, if needed, that additional project specific information be included in the CPSV reports. This should result in less effort by Optimal to obtain additional project information after the final CPSV reports are issued.

Overall project management tasks and Optimal's data/document requests will be discussed during the calls between Optimal and Enbridge's Audit Managers.

Deliverables

1. Weekly agenda items, as needed
2. AC Meeting notes and action items

Schedule

AC Meetings will be scheduled by Enbridge staff and will be held once per week on an as-needed basis from November 17, 2014 to June 12, 2015.

Commercial CPSV Meetings will be scheduled by Enbridge staff and will be held once per week on an as-needed basis from November 17, 2014 to March 16, 2015.

Industrial CPSV Meetings will be scheduled by Enbridge staff and will be held once per week on an as-needed basis from November 17, 2014 to March 16, 2015.

Optimal and Enbridge Project Management meetings will be held once per week on an as-needed basis beginning the week of January 5, 2015 and continuing until the week of June 12, 2015.

TASK 2: REVIEW & VALIDATE CPSV RESULTS AND CALCULATE REALIZATION RATES

Enbridge's custom projects typically represent a large share of its total savings. In 2013 custom projects were 77% of the CCM total. As a result, a large share of Optimal's overall audit effort will be devoted to this task.

The CPSV process involves several different steps completed by different firms. First, Enbridge's independent statistics firm will develop a randomly selected and statistically significant sample from the total population of custom projects. Enbridge, in consultation with the AC, will hire two engineering firms (the CPSV TEs) who will conduct engineering assessments and evaluations for each of the sampled projects. Each CPSV TE will issue a final CPSV report at the end of this work summarizing its independent findings. The key element will be the CPSV TEs' evaluation of Enbridge's project-by-project savings claim. The CPSV TEs will either agree with Enbridge's savings claim or will provide revised savings amounts for each project. Optimal will work with the AC to provide clear guidelines that the CPSV TEs will use in deciding whether or not to revise Enbridge's savings claims. These guidelines will provide a consistent decision making framework for the CPSV TEs.

The CPSV TEs will perform their work in two "Waves." Wave One covers projects sampled from the start of 2014 through the end September 2014. Wave Two will cover projects sampled from the entire year through the end of 2014.

TASK 2.1 – REVIEW WAVE ONE DRAFT CPSV REPORTS

Optimal will review the draft Wave One CPSV reports to provide feedback on the quality, reasonableness and accuracy of the project savings estimates. We will also ensure that the contractors are meeting the requirements of the CPSV TE RFPs. Optimal's recommendations are intended to ensure that the final Wave One reports and the subsequent Wave Two reports are of a high quality that will allow Optimal to provide its independent audit opinion as to the CPSV savings claims.

Optimal acknowledges that the AC will also want to review and comment on the Wave One CPSV draft and review the final reports. Optimal will work with the CPSV TEs and the AC to ensure that the AC has ample time to undertake its review. Optimal will address AC comments as part of its Wave One draft report review process.

Deliverable

Memo summarizing findings and recommendations regarding the Wave One draft CPSV reports.

Schedule

The Memo will be submitted by January 30, 2015 contingent on the Wave One draft CPSV reports being issued no later than January 16, 2015.

To ensure that the entire audit schedule can be adhered to, AC comments on the Wave One draft should be submitted by the AC directly to Optimal no later than January 23, 2015.

TASK 2.2 – REVIEW COMBINED WAVE ONE AND WAVE TWO DRAFT CPSV REPORTS

Optimal will review the draft of the combined Wave One and Wave Two reports to ensure that the final CPSV reports will contain the level and quality of project information that will allow Optimal to provide its independent audit opinion as to the CPSV savings claims.

Optimal acknowledges that the AC will also want to review and comment on the combined Wave One and Wave Two CPSV draft and review the final reports. Optimal will work with the CPSV TEs and the AC to ensure that the AC has ample time to undertake its review.

Deliverable

Memo providing recommended revisions to be incorporated in the final CPSV Reports.

Schedule

The memo will be submitted by March 13, 2015 contingent on the Combined Wave One and Wave Two draft CPSV reports being issued no later than March 6, 2015.

To ensure that the entire audit schedule can be adhered to, AC comments on the Combined Wave One and Wave Two draft CPSV reports should be submitted by the AC to Optimal no later than March 11, 2015.

TASK 2.3 – CALCULATION OF CUSTOM PROJECT CPSV TE REALIZATION RATES

Optimal will calculate the realization rates for custom projects (low income, commercial, and industrial) using the values put forth by the CPSV TEs in their final reports. Optimal will utilize the agreed upon methodology² to calculate the realization rates that will be applied to Enbridge's entire population of custom projects to determine total custom program savings. Optimal will utilize its realization rate calculation workbooks developed during the Year 2013 Audit. Enbridge will need to provide Optimal with its Year 2014 custom project data set for the inputs to Optimal's calculation workbooks. Enbridge will use these realization rates to calculate its total custom project CCM for incorporation into its Draft Evaluation Report.

Deliverable

Table of post CPSV (pre-audited) custom project realization rates.

Schedule

The CPSV realization rates will be issued by March 27, 2015. This date is contingent on the final CPSV TE reports being issued no later than March 20, 2015 and Enbridge providing its draft evaluation report custom project data set no later than March 13, 2015.

² The realization rate calculation methodology was agreed to as part of the Year 2012 audit. One of Optimal's Year 2013 Audit recommendations was to formally document this process.

TASK 2.4 – FULL EXAMINATION OF FINAL CPSV REPORTS

Optimal will perform the following CPSV sub-tasks on a project-by-project basis in its examination of the final CPSV report results.

- **Review each of the project evaluations contained in the CPSV final reports.** For this review we will utilize a checklist allowing us to systematically ascertain that key project and measure assumptions regarding annual savings estimates and measure lifetimes have been reported, are well documented, and are reasonable and appropriate. If additional information is needed, Optimal may request the full Enbridge project file.
- **Examine measure lives, advancement/early retirement, and other baseline characterization assumptions.** Appropriate revisions will be recommended if it is determined that OEB-approved or industry-accepted methodologies or assumptions were not utilized in determining baselines or measure lives used for savings calculations.
- **Confirm or revise CPSV TE final CCM Recommendations.** If Optimal disagrees with any of the final project cumulative cubic meters (CCM) savings values put forth by the CPSV TEs, Optimal will calculate revised savings claims.³ When this occurs, Optimal will provide a clear written justification for the revision.

We will utilize both in-house data developed from our engagements with custom project reviews for other clients and published evaluation work to compare assumptions, methodologies, and savings results. All pertinent studies relevant to industrial and commercial custom projects that have been completed in support of the Enbridge's Year 2014 DSM program will be reviewed and utilized in making our final recommendations.

We will also make recommendations regarding Enbridge's custom program initiatives and future savings documentation practices as part of work under Task 7 - Identify Future Enhancements.

Deliverables

1. Preliminary CPSV audit results providing details on recommended adjustments to individual projects' savings calculations.
2. Finalized CPSV project-by-project audited savings including final calculations for any adjusted project savings.

³ CCM is Enbridge's custom project metric for purposes of its DSM Shareholder Incentive. This is equal to the annual savings estimate multiplied by the estimated measure life.

Schedule

Preliminary CPSV audit recommendations will be provided by April 17, 2015. This date is contingent on the final CPSV reports being completed by the CPSV TEs no later than March 20, 2015.

Final CPSV audit recommendations will be provided by May 8, 2015. This date is contingent on AC review of preliminary recommendations being completed no later than May 1, 2015.

TASK 2.5 – CALCULATION OF CUSTOM PROJECT AUDITED REALIZATION RATES

Optimal will calculate the realization rates for custom projects (low income, commercial, and industrial) using the final audited CPSV project savings from Task 2.4 above. Optimal will utilize the agreed upon methodology to calculate the realization rates that will be applied to the Enbridge's entire population of custom projects to determine total custom program savings. Optimal will utilize its realization rate calculation workbooks developed during the Year 2013 Audit. Enbridge will need to provide Optimal with its final Year 2014 custom project data set for the inputs to Optimal's calculation workbooks.

Deliverable

Table of audited custom project realization rates.

Schedule

The final audited custom project realization rates will be issued by May 8, 2015. This date is contingent on AC review of preliminary CPSV recommendations being completed no later than May 1, 2015 and Enbridge providing its final custom project data set no later than April 10, 2015.

TASK 3: CONSIDER/RESPOND TO STAKEHOLDER COMMENTS ON DRAFT EVALUATION DSM REPORT

Optimal will review and respond to stakeholder and AC comments on Enbridge's draft Year 2014 DSM Evaluation Report.

Deliverable

Memo providing Optimal's response and feedback regarding comments provided by stakeholders and AC.

Schedule

Memo will be provided by May 1, 2015. This due date is contingent upon:

- 2014 DSM Evaluation Report being issued on April 10, 2015; and
- Stakeholder and AC comments being provided no later than April 17, 2015.

TASK 4: REVIEW VERIFICATION AND EVALUATION STUDIES

Optimal will review all Year 2014 verification and evaluation studies to verify that any assumptions, conclusions, and adjustment factors contained in these studies have been properly incorporated into Enbridge's Year 2014 savings calculations. Optimal will also ensure that any approved adjustment factors that resulted from any Year 2012 studies have been properly incorporated into the Year 2014 CCM calculations.⁴

Deliverables

N/A

Schedule

Optimal will review any new verification and evaluation studies in in time to inform Task 6: Verify CCM, LRAM AND DSM Shareholder Incentive.

⁴ There were no Year 2013 Studies performed. Year 2012 studies apply to Year 2014 based on the fact that Enbridge's OEB approved DSM programs cover three years from 2012 to 2014.

TASK 5: REVIEW ENBRIDGE'S DSM TRACKING SYSTEMS

Optimal conducted and participated in on-site interviews, procedure reviews, and live demonstrations of Enbridge's DSM analysis, reporting, and tracking system (DARTS) as part of its Year 2013 audit. For Year 2014 Optimal will verify that the systems and procedures continue to be properly implemented. This verification will be accomplished via schedule phone interviews with appropriate Enbridge staff and review of any updated procedures related documentation. Optimal will also ascertain if any changes have been made and will review the impact of any changes. The overall goal of this task is to determine if DARTS savings data are being properly entered into the CCM and the DSM Shareholder Incentive calculation workbooks. These calculation workbooks form the basis of the results reported in Enbridge's Year 2014 Evaluation DSM Report.

Deliverable

The results of this review will inform and will be incorporated into Task 6 and 8 deliverables.

Schedule

Optimal will interview Enbridge staff the week of February 23, 2015.

TASK 6: VERIFY CCM, LRAM AND DSM SHAREHOLDER INCENTIVE

The previous tasks lay the groundwork for proceeding with the primary objective of the audit:

to provide an independent opinion to DSM stakeholders that serves to determine if the DSMVA, LRAM and utility DSM Shareholder Incentive calculations are appropriate.

To verify the relevant savings and account calculations, Optimal will first determine whether reported savings values are based on reasonable and accurate measure inputs, assumptions, and calculations. This will proceed in a series of sub-tasks. Note that the process to verify final CPSV results is described in Task 2, above. The findings from Task 2 will be incorporated into the reviews and verification conducted under this task.

TASK 6.1 - COMPARE ASSUMPTIONS TO RELEVANT SOURCES

For this task Optimal will begin by checking Enbridge's measure characterizations and savings calculations against OEB and/or Technical Evaluation Committee (TEC) approved values. Optimal will also undertake a high level review for consistency with industry standards. In cases in which our review raise any concerns regarding the reasonableness of the assumptions – particularly for measures that account for a significant portion of claimed prescriptive savings – Optimal will examine the assumptions more closely and, as appropriate, recommend alternatives. Optimal will fully document any recommended changes. Any recommendations will be incorporated into Task 8, below.

TASK 6.2 – REVIEW MARKET TRANSFORMATION DSM SHAREHOLDER INCENTIVE METRICS

Enbridge's Market Transformation efforts consist of a number of separate programs. Each of these programs has its own unique DSM Shareholder Incentive metric(s). Optimal will review relevant tracking data and documentation (commitment forms, participant lists, completion forms, documented tracking protocols, etc.) specific to each Market Transformation metric. Verification will also include interviews with Enbridge's Market Transformation staff.

TASK 6.3 - REVIEW CCM CALCULATIONS

All of the foregoing information and data will be brought together to verify the calculation of CCM in order to support the further calculations of the cost recovery and incentive mechanisms. As noted above, this will also include incorporating the findings of the CPSV review (Task 2). Our review and validation will cover all aspects of the calculations across all programs and measures.

As part of the CCM review process and in accordance with Year 2012 Auditor Resource Acquisition Recommendation 6, Optimal will conduct a desk review of a random sample of the Run-It-Right program to verify the reasonableness of the claimed savings for this program. Optimal will follow the same procedures for this review that it utilized for the Year 2013 audit:

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- Review of Enbridge's written documentation and procedures for claiming Run-It-Right Savings. Optimal will provide its opinion as to whether the procedures used are reasonable, appropriate, and in accordance with industry standards. If warranted, Optimal will make recommendations on alternative procedures to be implemented that will result in a more accurate estimate of savings from this program.
- Optimal will review a statistically significant sample of Run-It-Right projects to verify that the agreed upon savings calculation procedures were followed.
- If warranted, Optimal will recalculate Run-It-Right savings, providing clear justification for the revised savings estimates.

For prescriptive measures Optimal will review measures that represent the largest fraction of total prescriptive savings. We will confirm that the following deemed savings values were based on approved OEB or TEC values:

- Gas savings per unit
- Free rider rates
- Agreed upon reduction factors
- Measure lives

If as part of its work under Task 6.1 above Optimal recommends alternative deemed savings values we will recalculate the savings using these updated values.

As part of its review, Optimal will confirm that all approved reduction rate/non-install factors are accurate and have been properly applied.

TASK 6.4 - REVIEW DSMVA, LRAM, AND DSM SHAREHOLDER INCENTIVE CALCULATIONS

The tasks outlined in the preceding sections provide a reasonable basis for Optimal to confidently make its determination of the validity of the DSMVA, LRAM, and DSM Shareholder Incentive. We will ensure that OEB approved methodologies for all of these calculations are properly followed. We will also ensure that any recommended adjustments to the final CCM results are properly incorporated into the LRAM and DSM Shareholder Incentive.

Optimal's review of the DSMVA will not include auditing of Enbridge spending documentation. This is a financial auditor's responsibility. Optimal will review the calculation of the DSMVA to ensure consistency between actual expenditures included in the variance account calculations and the total DSM expenses reported in Enbridge's financial tracking system and the 2014 DSM Evaluation Report.

For the LRAM, we will also ascertain whether the methodologies and assumptions used to calculate actual sales volume net of installed efficiency measures are consistent with the methodologies and assumptions used to calculate the year's budgeted sales volume in advance. We will also ensure that the net volumetric sales are appropriately allocated to each respective customer class.

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For the DSM Shareholder Incentive, Optimal will review the calculation spreadsheet to verify that it is consistent with the OEB-approved values and methodologies. We will also ensure that the final audit calculation of the DSM Shareholder Incentive contains the final audit values.

Task 6 Deliverable

Preliminary recommendations for any adjustments to the CCM, DSM Shareholder Incentive, and the DSMVA will be provided to the AC for their review and consideration. Optimal will review the LRAM methodology to be used by Enbridge. However, given that LRAM values are a direct result of the final CCM results, preliminary LRAM results will not be issued. All final results will be incorporated into Task 8 below.

Schedule

Preliminary recommendations will be provided no later than May 8, 2015. This due date is contingent upon the 2014 DSM Draft Evaluation Report being issued on April 10, 2015.

TASK 7: IDENTIFY FUTURE ENHANCEMENTS

Throughout the performance of this audit we will note areas where future enhancements in either evaluation procedures, assumptions, or implementation practices that might result in more accurate calculations, simpler verification procedures, or improved confidence in the results reported in the 2014 DSM Evaluation Report. These will be gathered together in one document and sorted by the type of recommendation (e.g., procedural change vs. quantitative assumptions) and ranked by relative importance. Optimal will also identify future evaluation research opportunities to enhance the assumptions used to calculate CCM, the DSM Shareholder Incentive and LRAM.

Deliverable

The suggested enhancements will be included in the draft and final audit report issued under Task 8.

Schedule

Future enhancements will be tracked and developed throughout the duration of the audit.

TASK 8: ISSUE AUDIT FINDINGS, RECOMMENDATIONS AND REPORT

Upon the successful completion of the above-noted tasks, we shall provide the AC with an independent opinion regarding the values for CCM, DSM Shareholder Incentive, LRAM and DSMVA.

TASK 8.1 - RESOLVE ISSUES PRIOR TO AUDIT COMPLETION

Through the weekly meetings and regular updates, Optimal will work with AC members to resolve any relevant issues prior to preparation of the draft audit report.

TASK 8.2 – ISSUE DRAFT AUDIT REPORT

Incorporating the adjustments, results, and recommendations from the tasks leading up to this point, Optimal will prepare a draft audit report for review and comment by Enbridge staff and the AC. The draft report will provide the required audit opinion as to whether the CCM, DSM Shareholder Incentive, LRAM, and DSMVA calculations and results are correct and reasonable as submitted in Enbridge's 2014 DSM Evaluation Report. If necessary, the report will provide independently developed alternative calculations for these accounts. The report will fully explain our decision processes and how and where we used our judgment to develop our opinions. If Optimal provides independently developed alternative calculations, the report will provide clear documentation and justification for these alternative values.

Deliverable

Draft Year 2014 Audit Report

Schedule

The Draft Year 2014 Audit Report will be issued no later than May 22, 2015. This due date is contingent upon the 2014 DSM Draft Evaluation Report being issued on April 10, 2015.

TASK 8.3 – ISSUE FINAL AUDIT REPORT

Once Optimal has received the draft audit report response from the AC, a final audit report will be prepared and submitted. The final report will include the following statements:

We have audited the Evaluation Report, DSM Shareholder Incentive, Lost Revenue Adjustment Mechanism (LRAM) and Demand Side Management Variance Account (DSMVA) of the utility for the calendar year ended December 31, 2014. The Evaluation Report and the calculations of DSM Shareholder Incentive, LRAM, and DSMVA are the responsibility of the company's management. Our responsibility is to express an opinion on these amounts based on our audit. We conducted our audit in accordance with the rules and principles set down by the Ontario Energy Board in the DSM Guidelines for Natural Gas Utilities (EB-2008-0346). Details of the steps taken in this audit process are set forth in the Audit Report that follows, and this opinion is subject to the details and explanations

Optimal Energy Inc. Year 2014 DSM Audit Work Plan

therein described. In our opinion, and subject to the qualifications set forth above, the following figures are calculated correctly using reasonable assumptions, based on data that has been gathered and recorded using reasonable methods and accurate in all material respects, and following the rules and principles set down by the Ontario Energy Board that are applicable to the 2014 DSM programs of the utility:

DSM Shareholder Incentive Amount Recoverable - \$ x,xxx,xxx

LRAM Amount Recoverable - \$ x,xxx,xxx

DSMVA Amount Recoverable - \$ x,xxx,xxx

The final report will contain the full and final list of forward-looking recommendations.

If necessary, we will make available an expert witness to defend or describe our findings, opinions, and recommendation at an OEB hearing at the hourly rates contained in our proposal. We expect that Philip Mosenthal would serve as this witness, potentially supplemented with engineering experts.

Deliverables

1. Final Draft Year 2014 DSM Audit Report
2. Final Year 2014 DSM Audit Report

Schedule

The Final Draft Year 2014 Audit Report will be submitted no later than June 5, 2015. This due date is contingent upon receiving the AC's response to the initial draft no later than May 29, 2015.

The Final Year 2014 Audit Report will be submitted no later than June 19, 2015. This due date is contingent upon receiving the AC's response to the final draft no later than June 12, 2015.

The preliminary LRAM calculation will be submitted to the auditor for review by May 22, 2015. This due date is contingent upon receiving the preliminary recommendations from the auditor for any adjustments to the CCM, DSM Shareholder Incentive, and the DSMVA no later than May 8, 2015. The final LRAM calculation will be confirmed once all of the CCM, DSM Shareholder Incentive and DSMVA amounts are finalized.

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TASK SCHEDULE

TASK	Week Ending													
	14-Nov	21-Nov	28-Nov	5-Dec	12-Dec	19-Dec	9-Jan	16-Jan	23-Jan	30-Jan	6-Feb	13-Feb	20-Feb	27-Feb
1.1 - Audit Kick-Off Conference Call					DM									
1.2 - Work Plan					D		D							
1.3 - CPSV Kick-Off Meetings	M	M												
1.4 - Data and Document Collection														
1.5 - Weekly Meetings					M		M	M	M	D	M	M	D	M
2.1 - Wave 1 Draft CPSV Reports										D				
2.2 - Wave 1 & 2 Draft CPSV Reports														
2.3 - CPSV TE Realization Rate Calculations														
2.4 - Final CPSV Reports														
2.5 - Audited Realization Rate Calculations														
3 - Respond to Comments on Draft DSM Report														
4 - Review Studies														
5 - Review DSM Tracking System														
6.1 - Compare Assumptions to Relevant Sources														
6.2 - Review Market Transformation Metrics														
6.3 - Review CCM Calculations														
6.4 - Review DSMVA, LRAM and DSM Shareholder Incentive Calculations														
7 - Identify Future Enhancements														
Task 8.1 - Resolve Issues														
Task 8.2 - Issue Draft Audit Report														
Task 8.3 - Issue Final Audit Report														

TASK	Week Ending													
	13-Mar	20-Mar	3-Apr	10-Apr	17-Apr	24-Apr	1-May	8-May	15-May	22-May	29-May	5-Jun	12-Jun	19-Jun
1.1 - Audit Kick-Off Conference Call														
1.2 - Work Plan														
1.3 - CPSV Kick-Off Meetings														
1.4 - Data and Document Collection			D											
1.5 - Weekly Meetings	M	M	M	M	M	M	M	M	M	M	M	M	M	
2.1 - Wave 1 Draft CPSV Reports														
2.2 - Wave 1 & 2 Draft CPSV Reports	D													
2.3 - CPSV TE Realization Rate Calculations			D											
2.4 - Final CPSV Reports					D			D						
2.5 - Audited Realization Rate Calculations							D	D						
3 - Respond to Comments on Draft DSM Report							D							
4 - Review Studies														
5 - Review DSM Tracking System														
6.1 - Compare Assumptions to Relevant Sources														
6.2 - Review Market Transformation Metrics														
6.3 - Review CCM Calculations														
6.4 - Review DSMVA, IRRAM and DSM Shareholder Incentive Calculations								D						
7 - Identify Future Enhancements														
Task 8.1 - Resolve Issues														
Task 8.2 - Issue Draft Audit Report										D				
Task 8.3 - Issue Final Audit Report												D		D