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To provide the attribution methodology to apportion program savings from the GIF program and EGD's HEC program.

RESPONSE

Below is a section from the Ontario Transfer Payment Agreement (TPA) between Enbridge Gas Distribution Inc. and Her Majesty the Queen in right of Ontario as represented by the Minister of Energy, outlining the attribution methodology being utilized to apportion program savings results between the HEC and GIF Programs.

The goal of the HEC/GIF Program is to provide a holistic energy efficiency program to residential customers which results in an energy rating and prompting customers to upgrade their energy and environmental performance by applying various mechanical and envelope measures. The ultimate goal is to reduce GHG emissions in the residential sector. The Program is customized to individual customer's home's circumstances including size, orientation, age, fuel type, etc. such that each individual customer can choose for themselves the level of efficiency upgrade desired, and the specific measures that will help achieve the result.

Enbridge has developed the existing HEC Program in accordance with the following objectives:

- Build support for, and awareness of, energy efficient measures in the Residential marketplace;*
- Mitigate traditional barriers to energy performance; and*
- Contribute to a culture of conservation by linking conservation actions with reduced energy bills.*

Customer Attribution

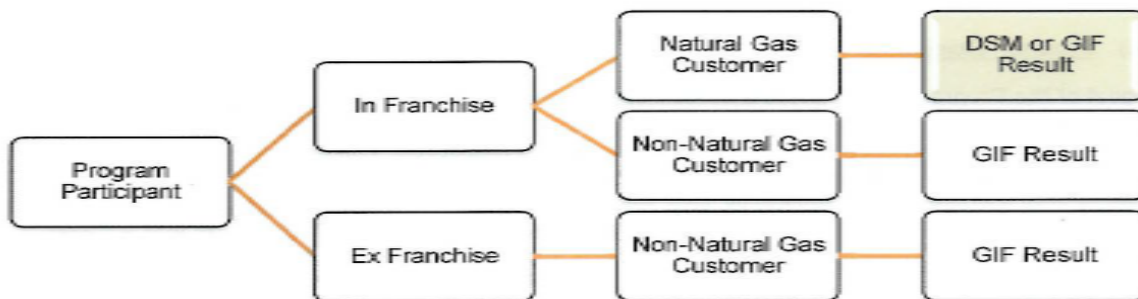
The key principles underlying the customer attribution policy include the following:

- A fully articulated and documented attribution policy*
- Transparency on implementation of policy*
- All natural gas customers within Enbridge's franchise territory have equal access to incentives and can be applied to either the DSM funded HEC program or GIF funded Program (on the basis of funding source)*
- All non-natural gas customers, or customers outside of Enbridge's franchise territory have equal access to incentives and will be applied to the Program*

Witness: J. Tideman

- All retrofits as a group are to be TRC positive and provide up to the maximum identified customer incentive levels (as per Program eligibility criteria)
- The intention of the GIF funded Program is to create GHG reductions which are incremental to those produced through the regulated DSM funded HEC program.
- Energy and GHG savings attribution align with source of program funding.

The following schematic portrays the first order of customer attribution that will be enforced;



As the schematic shows, any customer participant that is a non-natural gas customer within Enbridge's franchise territory, or any ex-franchise customer will be attributed automatically to the GIF results, as they are not Enbridge's ratepayers and thus do not collectively fund DSM. The in-franchise natural gas customers can be attributed to either the DSM funded HEC program or GIF funded Program equally, subject to source of funding.

Enbridge believes that the most appropriate way to organize results within the in-franchise, natural gas customer segment is to maximize DSM results before attributing customers toward GIF results since the purpose of the GIF program is to drive GHG reductions incremental to those that would have taken place through Enbridge's DSM programs. As such, in-franchise natural gas customers will be attributed to DSM results up until either one of the following conditions is met, after which customers will be attributed to GIF results:

- (i) The 200% DSM target (i.e. maximum achievement) for HEC program participants is reached;
- or,
- (ii) DSM funding can no longer support additional HEC program participants.

Enbridge will ensure appropriate coordination between DSM and GIF funded Program to ensure that no residential homeowner is left unserved by one of the two programs. Enbridge will maintain the discretion it has in managing the DSM budget to maximize its achievements and success. From time to time this may include the movement of budget amounts to achieve successful results. As a result, it will be solely Enbridge's discretion to determine when and if the DSM budget has been exhausted for the purpose of attributing customers to the DSM funded HEC program or GIF funded Program.

The Table 1 below maps the assignment of customers among these three levels of attribution:

Table 1: Customer Attribution Procedure

Customer Intake Channel	Attributing Results (0 to 200% or Budget Max-out of DSM)	Attributing Results (Post 200% or Budget Max-out of DSM)
Evaluator / Auditor lead	All results go to DSM up to 200% of year's HEC program DSM target unless DSM funding can no longer support additional HEC participants	All results after DSM funding maximized or DSM 200% threshold met assigned to Program results
HVAC lead		
Retail outlet		
New Call Centre		
EGD Customer Care		
Province provided		
Other intake channels		

This methodology helps to ensure that the results attained for the GIF funded Program are incremental to the DSM funded HEC program, as the GIF funded Program intends. Ultimately, this attribution policy will ensure that all customers have access to the program either through DSM or GIF funding. Enbridge will ensure that the funding for customer incentives and program costs are attributed to each program according to the attribution policy above such that there is no cross subsidization.

For the energy savings and energy literacy offering using GIF funds, no behavioural emission reductions would be attributed to DSM. 100% of all emission reductions achieved as a result of this initiative will be attributed to the GIF funded Program.