

INTRODUCTION

One of the major reasons that FRPO requested involvement in this consultation was the nexus between DSM and Carbon Cap and Trade Compliance. With the cessation of that government mandated program, some of our concerns regarding cross-subsidization and ratepayer value for money are reduced. Nonetheless, we appreciate the opportunity to understand better the current issues in the context of DSM and to submit our views.

SUPPORT FOR SEC SUBMISSIONS

Throughout FRPO's involvement in DSM, we have worked alongside and learned from SEC. The commonality of general rate classes for our respective memberships allows for an alignment of interests. But, moreover, it is out of respect for their understanding of and contribution to the DSM construct. Whether it be in a negotiation, hearing or as part of audit committees, SEC has shown leadership in seeking solutions in the public interest. The value of their contribution is evident in their contribution to this consultative.

As such, while FRPO formulated its positions on the generic issues and the utility requests in this proceeding, we chose not to invest significant time in drafting submissions until we had the benefit of seeing the SEC positions on the substantive issues. We are encouraged that we have complete alignment with SEC's positions and, therefore adopt their well-considered and articulated positions on the utility requests and the contextual considerations which warrant staying the course over mid-course adjustments.

In addition, FRPO offers the following submission on an issue of significant importance to our members and the tenants in their housing:

LOW INCOME, MARKET RATE MULTI-FAMILY BUILDING DSM PROGRAMS

FRPO supports the implementation of cost effective, low income programs. In its final submissions in EB-2008-0346¹, FRPO highlighted the inequity that existed with Low Income Multi-family Building DSM programs being available for only Social and Assisted Housing. At the time, Low-income tenants were precluded from receiving benefits associated with these programs by virtue of the private ownership of the building.

In the course of the negotiations with both Enbridge and Union for the three year DSM program for 2012-2014, FRPO, enjoined by other intervenors such as VECC and LIEN urged the utilities to address the barriers that resulted in this inequity. The resulting Settlement Agreements with the utilities contained provisions for the study of these barriers and a commitment by the utilities to determine if the barriers could be overcome. During the those 3 years, both Enbridge and Union worked with FRPO, VECC, LIEN, BOMA and GEC to look at the barriers in different ways to reach this under-served sector of the Low Income community. As a result, the benefits of Low-income DSM were being shared with tenants in privately-owned apartment buildings.

Enbridge Programs

Enbridge worked with the aforementioned intervenor groups seeking solutions to market barrier issues. However, Enbridge went steps further and engaged United Way Toronto and City of Toronto's Tower Renewal to understand the market². Not stopping there, Enbridge engaged Toronto Hydro to collaborate on CDM initiatives inside the building envelope for one-stop shopping to increase the value proposition for building owners by getting electricity savings. Further, and we know this from the experience of our members, when Enbridge's initial offer did not receive uptake expected, Enbridge staff re-formulated the offer to overcome initial resistance to the offer and to bring the benefits of the Low Income offers to tenants in these buildings.

¹ EB-2008-0346 FRPO_SUB_DSM_20110214

² Transcript, Volume 7, page 179, line 24 to page 180, line 7

As is reflected in Enbridge results³, the savings attributable to Market rate Multi-residential buildings went from zero at the outset of the three year term to almost 1,000,000 m3 in Gross Gas Savings in 2014. In fact, savings from Market rate buildings exceeded those of Social and Assisted Housing and contributed to Enbridge's increase in savings from the combined sector over 2013 results.

An important point made by SEC is the lack of evidence and discovery in this consultative. As a result, there is very little data available since the start of the six-year DSM programs initiated in 2015.⁴ With the lack of data, we can only rely on our experience and anecdotal evidence. FRPO and its members are appreciative of Enbridge's efforts to engage with multiple parties to bring benefits to the tenants in our housing. Through communication with Enbridge off-line, we understand that they are in the process of expanding these programs developed in the GTA to the larger municipal areas in its franchise. We look forward to the benefits of these programs covering more of the province.

Union Gas Program

As outlined in FRPO's submissions in the generic DSM proceeding⁵, FRPO was concerned about Union Gas lagging behind and not consulting the market rate, multi-family sector in the development of its offerings. Through off-line discussions after the Stakeholder conference, we have come to understand that after 2015 pilots, Union implemented some 2016 initiatives creating m3 savings well beyond the target that is weighted at a very low 5% of their Low Income Scorecard.

However, Union is proposing an elimination of the market rate, multi-family metric.⁶ In our view, this diametrically opposed to what we would expect. With superior results in 2016 and in the category of "what gets measured, gets done", Union ought to consider increasing the weight

³ EB-2015-0049 Exhibit I.T2.EGDI.FRPO.1

⁴ While some 2015 results are available, the data do not provide sufficient information to allow for an assessment of the efficacy of the investments in Low Income, Market Rate, Multi-family sector.

⁵ EB-2015-0029/0049 FRPO Submissions, October 2, 2015

⁶ EB-2017-0127 Union Submission, dated Jan.15/18, page 21

on this factor in recognition of opportunity created by the untapped market of older housing units that were previously precluded from the program and that those buildings could provide superior opportunities for savings. At the very least, we urge the Board to dismiss the request to eliminate the 5% as it would be unfortunate, given the efforts of many parties and the needs of the working poor in market rate, multi-family housing, if this sector is neglected.

ALL OF WHICH IS RESPECTFULLY SUBMITTED ON BEHALF OF FRPO,



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