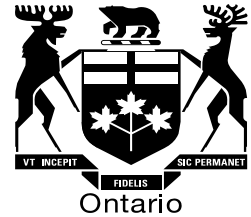


**Ontario Energy Board**

P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4  
Telephone: 416-481-1967  
Facsimile: 416-440-7656  
Toll free: 1-888-632-6273

**Commission de l'énergie  
de l'Ontario**

C.P. 2319  
27<sup>e</sup> étage  
2300, rue Yonge  
Toronto ON M4P 1E4  
Téléphone: 416-481-1967  
Télécopieur: 416-440-7656  
Numéro sans frais: 1-888-632-6273



January 22, 2019

Frank Kallonen  
President and Board Chair  
CustomerFirst Inc.  
500 Regent Street  
Sudbury ON, P3E 4P1

Dear Mr. Kallonen:

**Re: CustomerFirst Regulated Price Plan Pilot – Request for Change in  
Schedule and Budget (Board File No. EB-2016-0201)**

In correspondence e-mailed January 9, 2019, CustomerFirst (CF) requested the Ontario Energy Board's (OEB) approval to adjust the RPP Pilot budget and modify reporting Milestones 1 and 2 in Schedule B of the contribution agreement with the IESO.

This request was filed response to the OEB's previous approval issued September 12, 2018, which allowed CF to:

- proceed with a second round of marketing for its RPP Pilot to produce a sample of sufficient size to support robust conclusions. CF requested \$100,000 for this second round of marketing in a August 20, 2018 letter;
- delay the start date of the RPP Pilot so that October 2018 was the first full measurement month for all participants and conclude the pilot August 31, 2019, allowing for 11 months of measurement data.

**Budget Adjustment**

The initially-approved CF project budget was \$4.86M, consisting of \$2.52M in administration costs and \$2.3M in costs for acquisition and installation of smart thermostats, which each participating customer receives as part of the pilot design.

The additional \$100,000 approved for the second round of marketing results in a revised administration budget of \$2.62 million.

The final number of participants provided by CF in its January 9, 2019 correspondence is 1,090. As a result, the budgeted thermostat installation costs are \$649,640. The overall revised budget is therefore \$3,269,941.

Given the previous approval of the additional marketing budget, and that the technology cost per customer remains the same for the thermostats, the OEB approves CF's requested reduction in the estimated maximum budget.

	<b>Original estimated maximum budget (\$)</b>	<b>Revised estimated maximum budget (\$)</b>
<b>Administration budget</b>	\$2,520,301	\$2,620,301
<b>Thermostat installation budget</b>	\$2,344,664	\$649,640
	<b>\$4,864,965</b>	<b>\$3,269,941</b>

### **Schedule Adjustment**

Changes to the start and duration of the pilot affect deadlines that apply to reporting milestones. The original and proposed revisions to the target Milestone 1 and 2 completion dates are shown in the table below. Since this revised schedule requires results reports on an identical timeframe relative to the initiation and conclusion of the measurement period as the original Pilot schedule, the OEB approves the revised target completion dates for Milestones 1 and 2.

	<b>Milestone 1 – Interim Results Report</b>	<b>Milestone 2 – Final Results Report</b>
<b>Original target milestone completion dates</b>	February 28, 2019	September 30, 2019
<b>Revised target milestone completion dates</b>	June 30, 2019	December 31, 2019

Sincerely,

*Original signed by*

Mary Anne Aldred  
Chief Operating Office and General Counsel

c Paul Ferguson, Newmarket-Tay Power Distribution Ltd.