

SMALL BUSINESS UTILITY ALLIANCE (SBUA)

Answers to Interrogatories from Pollution Probe (PP)

2-PP-SBUA-1

Reference: PollutionProbe_IR_SBUA_AppendixB_AbacusData_20211217

The referenced attachment shows that Canadians consider climate change issues a high priority. In Green Energy Economics Group's opinion is there benefit to leverage the synergies between DSM and climate change mitigation benefits when engaging stakeholders and developing DSM programs? Please elaborate on any best practices in leveraging these synergies that should be considered for DSM in Ontario.

Response:

Yes. There is a clear link between addressing climate change and DSM via the benefits of reducing resource usage and there are clear benefits to a business' bottom line for showing commitments to improving environmental impacts and sustainability¹.

The first step is to track and quantify – not just bill and energy savings outcomes – but also other environmental and resource impacts, such as water savings and CO2 reductions.

Second these benefits need to be communicated to current and potential small business customers. There are a few ways that this should happen. Marketing and outreach activities to small business should go beyond the traditional focus on bill savings and include promotion of the climate impacts from reduced energy usage. Then, as part of an audit or post-installation report to customers, non-energy benefits should be included and pointed out in terms that may make more sense to small business customers (such as car mileage equivalents instead of tonnes of CO2).

The last step is to help promote small businesses who have successfully completed projects. This can be through promoting case studies that highlight the sustainability aspects of a project or through cobranded materials left behind that explain that a project was completed and highlights the benefits to the business' customers.

Provided by: Francis Wyatt, Theodore Love (GEEG)

1

<https://www.stern.nyu.edu/sites/default/files/assets/documents/NYU%20Stern%20CSB%20Sustainable%20Share%20Index%E2%84%A2%202019.pdf>

2-PP-SBUA-2

The small commercial market has received limited attention from DSM in Ontario since it provides less savings per customer than larger customers and is not as simple as prescriptive residential programs. What best practices can be embedded in the DSM Framework or OEB DSM decision to overcome these barriers and increase results for this under-served this sector?

Response:

The primary way in which the OEB can help overcome these barriers is by establishing goals for Enbridge tied to the small business customer segment, such as savings or participation. and goals related to microbusinesses would address the most marginalized section of this particular community. Some additional actions include:

- Stating clear support for addressing this market when directing Enbridge to develop program plans.
- Require reporting on the small business segment, including participants, savings, and qualitative analysis on how programs are addressing this market.
- Support additional studies on how to address this specific market in Enbridge's territory
- Allow separate net-to-gross assumptions when treating this customer segment to recognize the lower levels of free ridership in this segment.

Provided by: Francis Wyatt, Theodore Love (GEEG)

6-PP-SBUA-3

What increase in spending is required to bring Enbridge's DSM portfolio in line with best practice utilities offering small commercial programs?

Response:

GEEG does not have a specific budget increase to suggest. To derive a specific budget increase would involve a multistep process of characterizing the new measures, conducting cost-effectiveness analyses, establishing the eligible markets, setting the appropriate incentive levels based on the incremental costs, and projecting the participation rates for the cost-effective measures on a yearly basis. This is beyond the scope of our evidence.

Provided by: Francis Wyatt, Theodore Love (GEEG)

8-PP-SBUA-4

Are changes required to the Enbridge DSM Scorecards and shareholder incentive approach to align with best practice in delivering small commercial results? If yes, please provide details on what should be modified.

Response:

GEEG would prefer that the performance incentive be based primarily on lifetime natural gas savings or alternatively on net benefits as Optimal Energy has proposed in its evidence. The yearly savings targets should be set in advance and not adjusted due to the previous year's performance, as proposed by Enbridge. In addition, GEEG would like for there to be elements of the performance incentive mechanism that provide a heavier weighting for acquiring savings in typically underserved markets such as small businesses and low-income customers.

Provided by: Francis Wyatt, Theodore Love (GEEG)

15-PP-SBUA-5

Reference: EB-2020-0091 Decision, page 66

In the recent OEB Decision for gas IRP, the OEB directed Enbridge to establishment a website to facilitate the broad sharing of information and enhance stakeholder collaboration. Would Green Energy Economics Group recommend something similar for DSM to help resolve communication, collaboration and outreach issues?

Response:

Yes.

Provided by: Francis Wyatt, Theodore Love (GEEG)

16-PP-SBUA-6

a) Is it best practice for DSM programs to be coordinated with, co-delivered with and/or delivered by relevant industry partners to maximize results and cost-effectiveness? If not, why not.

b) Would EFG recommend that the OEB require Enbridge to develop and deliver its DSM programs with all relevant delivery partners including but not limited to IESO, industry associations, municipalities, etc. If not, why not.

c) What are the costs and consequences related to delivering DSM programs in a silo without effective partnership coordination?

Response:

- a) Yes.
- b) Yes.
- c) It results in duplication of efforts, higher total costs, less comprehensive treatment of all energy usage, lost opportunities, less information disseminated to the target audience, and fewer participants.

Provided by: Francis Wyatt, Theodore Love (GEEG)

17-PP-SBUA-7

Reference: PollutionProbe_IR_SBUA_AppendixA_EngagementPrinciples_20211217

SBUA highlights issues related to DSM engagement and communication. IESO developed best practice stakeholder engagement principles as referenced above. Would adding these principles into the DSM Framework be beneficial? Please explain.

Response:

Yes. Clearly stating these principles may help to foster Enbridge's engagement and communication with stakeholders.

Provided by: Francis Wyatt, Theodore Love (GEEG)