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ONTARIO ENERGY BOARD

EB 2007-0694

File 1

July 20, 2007

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27th Floor  
Toronto, Ontario  
M4P 1E4

**RE Oakville Hydro Application to extend third tranche CDM funding beyond September 30, 2007**

Dear Ms. Walli,

Oakville Hydro is applying for an extension of our third tranche funding beyond the September 30, 2007 deadline for two programs, which are: Multi-residential Interval Metering and Peak Demand Reductions. A description of these programs along with the rationale for each extension is presented below. In a March 22, 2007 decision the OEB granted an increase in funding for both of these projects as part of an application for modifications of Oakville Hydro's CDM spending above 20% of approved CDM budget. This application is not a request for additional funds, it simply seeks to extend the time over which these previously approved dollars are spent. Pursuant to the Board's request Oakville Hydro is submitting ten (10) paper copies and one electronic copy in Adobe Acrobat (PDF) format of this application.

**Multi-Residential Interval Metering**

The Multi-Residential Interval Metering program works with owners of bulk metered multi-residential buildings, specifically customers in income-g geared and non-profit cooperatives, to convert them to individual suite metering and billing. The program also provides incentives to install interval meters in newly constructed multi-residential buildings. The program enables Oakville Hydro's residential customers to be billed directly for the electricity they use and to track their consumption. The program also allows the customer to take advantage of price differences, conservation and/or load shifting. Research conducted has found that conversions of multi-unit residential buildings from bulk to individual meters result in a typical savings of over 30%.

The Multi-Residential Interval Metering program has been very successful to date and Oakville Hydro continues to process applications for this program.

However, each application has its own set of unique challenges particularly when it comes to getting condominium boards and residents to approve the conversion from bulk to unit metering. Oakville Hydro would like to extend this program to run until March 31, 2008 in order to complete all of the planned projects and to spend the remaining approved budget. The approved budget for this program is \$1,086,816.54. At the end of 2006 this program had resulted in the conversion of close to 700 units. By the time the program is complete at the end of March 2008 over 1100 units are expected to be converted from bulk metered to individual interval meters.

### **Peak Demand Reduction**

This program involves the installation of a natural gas fired, low emission generator for peak shaving within Oakville Hydro's building. The program also encompasses the development and implementation of a pilot program to install standby power units in small commercial retail operations. In the pilot these standby power units will be remotely managed by Oakville Hydro and our partner TDL Group Corp and will be used to reduce demand from the system at peak times and to provide blackout protection for the customers.

Work on this program is well underway with Oakville Hydro reviewing proposals from vendors for the generator and standby units. However, due to the technical nature of the equipment and services provided by the vendors, there has been a lot of back and forth between Oakville Hydro's legal representation and representatives of the potential vendors. These detailed discussions have meant that Oakville Hydro has had to push back issuing the purchase order for equipment and services. To accommodate this delay Oakville Hydro requests permission to continue spending on this program until December 31, 2007. The total budget for this program is \$800,000.

### **Request to Dispose of Matter Without a Hearing**

Oakville Hydro respectfully requests that the Ontario Energy Board dispose of the proceeding without hearing pursuant to subsection 21(4)(b) of the *Ontario Energy Board Act, 1998* (the "Act") which states that the Board may dispose of a proceeding without a hearing if the Board determines that "no person, other than the applicant, appellant or license holder will be adversely affected in a material way by the outcome of the proceeding, and the applicant, appellant or license holder has consented to disposing of a proceeding without a hearing".

It is our contention that "no person" will be adversely affected in any material way, as the programs and the amount of funding allocated to these programs remains the same. Oakville Hydro simply wishes to have some additional time to implement the Multi-residential Interval Metering and Peak Demand Reductions in order to provide better service to customers.

Thank you for this opportunity to continue our exciting and successful CDM programs beyond the September 2007 deadline. I am available at your convenience to address any questions that you may have or to discuss Oakville Hydro's plans in more detail.

Sincerely,

A handwritten signature in cursive script, appearing to read "L. Gallinger".

*per:* Leslie Gallinger  
Vice President, Finance and Administration