Board Staff Interrogatories
Greater Sudbury Hydro Inc.
EB-2008-0147

1. Ref: Pages 1-37
Greater Sudbury Hydro Inc. ("GSH") is seeking Board authorization to spend $2,722,588 related to Conservation and Demand Management ("CDM") over three years (2008-2010).

(a) If GSH is granted approval of the funds, please confirm the dates that GSH will start and cease recovering the funds through rates.

GSH shall commence recovering funds January 1,2009 and run successively for three years thereafter provided authorization to deliver the Conservation and Demand Management (CDM) plan is received from the Board in due time to permit GSH to give reasonable notice to the public of the rate increase. Failing that, the commencement date shall be established once reasonable notice has been provided and shall run successively for three years thereafter.

(b) Please confirm what mechanism will be used to recover the funds through rates. If a rate rider is proposed, please provide the rate that will be applied to each rate class.

The mechanism of recovery will be through a rate rider. The rate applied to each rate class as follows:

Residential Rate Impact:

Year	Rate Impact per kWh Sold
2009	$0.0008
2010	$0.0009
2011	$0.0014

General Service <50 and =>50 kW Rate Impact:

Year	Rate Impact per kWh Sold
2009	$0.0007
2010	$0.0008
2011	$0.0010

Street Lighting Rate Impact:

Year	Rate Impact per kWh Sold
2009	$0.0088
2010	$0.0116
2011	$0.0000

(c) Please provide the estimated percentage impact for each of the rate classes involved over the three years.

Since filing the original Custom Program Conservation and Demand Management Plan (2008 to 2010) in June 2008, certain conditions have changed. Upon Board approval, GSH does not expect to begin program rollout until January 2009, with the final year of the three-year plan ending December 2011. As such, the original budget of $2,722,588 has been re-allocated to reflect this change.

In addition, GSH has received $27,000 from the Electricity Distributors Association (EDA) through the Ontario Power Authority's (OPA) Community Initiatives Fund for its 2008 community initiatives to promote electricity awareness. It is expected that similar funding will be available in 2009 and 2010.

The above changes along with the estimated percentage impact for each of the rate classes involved over the three years are shown in the tables below.

Revised Table 3.1.1 – Summary of Plan Budget

	2009	2010	2011	Total
Community Awareness Program	$23,000	$23,000	$50,000	**$96,000**
Electric Thermal Storage Program	$257,000	$315,000	$485,000	**$1,057,000**
Commercial Parking Lot Plug Controller Program	$227,000	$270,000	$360,000	**$857,000**
Vending Machine and Self Service Coolers Efficiency Program	$125,500	$144,000	$160,000	**$429,500**
LED Traffic Light Conversion Program	$33,927	$43,911	$0	**$77,838**
West Nipissing Street Light Conversion Program	$43,788	$37,462	$0	**$81,250**
Evaluation Costs	$35,000	$35,000	$0	**$70,000**
Total	**$745,215**	**$868,373**	**$1,055,000**	**$2,668,588**

Revised 3.1.2 - Summary of Plan Budget by Rate Class

Year	Residential Budget	General Service <50 kW Budget	Street Lighting
2009	$295,000	$372,500	$77,715
2010	$353,000	$434,000	$81,373
2011	$535,000	$520,000	$0
Total	**$1,183,000**	**$1,326,500**	**$159,088**

Revised Table 3.1.3 Estimated Impact on Residential Rates

Year	Residential Budget Col A.	2007 kWh Sold[1] Col B.	Rate Impact per kWh Sold Col. C = (A/B)	Estimated Monthly Bill (Based on 1,000 kWh)[2] Col. D	Estimated Bill Impact (Based on 1,000 kWh) Col. E = Col. C x 1,000 kWh	Estimated Percentage Impact on Monthly Bill Col. F = (E/D)
2009	$295,000	376,970,987	$0.0008	$105.18	$0.80	0.76%
2010	$353,000	376,970,987	$0.0009	$105.18	$0.90	0.86%
2011	$535,000	376,970,987	$0.0014	$105.18	$1.40	1.33%

[1] Based on GSH 2007 distribution revenue data.

[2] Based on OEB published document entitled OEB Bill Comparison (less GST), http://www.oeb.gov.on.ca/OEB/For%20Consumers/Understanding%20Your%20Bill%20Rates%20and%20Prices/Bill%20Comparison.

Revised Table 3.1.4 Estimated Impact on General Service <50 kW Rates

Year	General Service Budget Col A.	2007 kWh Sold[3] Col B.	Rate Impact per kWh Sold Col. C = (A/B)	Estimated Monthly Bill (Based on 10,000 kWh)[4] Col. D	Estimated Bill Impact (Based on 10,000 kWh) Col. E = Col. C x 10,000 kWh	Estimated Percentage Impact on Monthly Bill Col. F = (E/D)
2009	$372,500	514,942,826	$0.0007	$996.70	$7.00	0.702%
2010	$434,000	514,942,826	$0.0008	$996.70	$8.00	0.803%
2011	$520,000	514,942,826	$0.0010	$996.70	$10.00	1.00%

Table 3.1.6 Estimated Impact on General Service => 50 kW Rates

Year	General Service Budget Col A.	2007 kWh Sold[5] Col B.	Rate Impact per kWh Sold Col. C = (A/B)	Estimated Monthly Bill (Based on 2,000,000 kWh and 5,000 kW)[6] Col. D	Estimated Bill Impact (Based on 2,000,000 kWh) Col. E = Col. C x 2,000,000 kWh	Estimated Percentage Impact on Monthly Bill Col. F = (E/D)
2009	$372,500	514,942,826	$0.0007	$182,620	$1,400	0.766%
2010	$434,000	514,942,826	$0.0008	$182,620	$1,600	0.876%
2011	$520,000	514,942,826	$0.0010	$182,620	$2,000	1.10%

[3] Based on 2007 distribution revenue data as shown in Appendix B of GSH's CDM Funding Application.
[4] Comparable threshold as established by OEB for General Service <50 kW bill comparisons.
[5] Ibid.
[6] Comparable threshold as established by OEB for General Service => 50 kW bill comparisons.

Revised Table 3.1.5 Estimated Impact on Street Lighting Rates

Year	Street Lighting Budget Col A.	2007 kWh Sold[7] Col B.	Rate Impact per kWh Sold Col. C = (A/B)	Estimated Monthly Bill[8] Col. D	Estimated Bill Impact (Based on Monthly Consumption of 650,367 kWh[9]) Col. E = Col. C x 650,367 kWh	Estimated Percentage Impact on Monthly Bill Col. F = (E/D)
2009	$77,715	7,804,406	$0.0099	$57,771.83	$6,438.63	11.14%
2010	$81,373	7,804,406	$0.0104	$57,771.83	$6,763.82	11.71%
2011	$0	7,804,406	$0.00	$57,771.83	n/a	n/a

[7] Ibid.
[8] Based on yearly sales of $693,261.94
[9] Based on yearly sales of 7,804,406 kWh

2. Ref: Page 3

In the application GSH stated that:

"the plan outlines the direction it intends to take to enhance its OPA sponsored program portfolio. As a winter peaking Northern Ontario community, there are unique CDM programming needs to be addressed. This plan addresses those needs by bridging the gap between provincial systems requirements and local constraints of the Greater Sudbury community."

(a) Please explain what is meant by "unique CDM programming needs" and "local constraints".

The province of Ontario is summer peaking and the OPA has concentrated its efforts on controlling the Summer Peak. Greater Sudbury Hydro, however, is located in the north and experiences a much higher winter peak than summer peak – the complete opposite of what the trend is for utilities located in the south. Specific to Sudbury, the summer peak averages 120 MW as compared to the winter peak average of 180MW. Our customers experience long, cold, harsh winters and extremely high energy costs. It is important to make available to winter peaking utilities programs that will help alleviate some of the strain during the winter months for our customers. Conservation is a year round effort and it is necessary for there to be a balance of conservation – a balance that not only embraces summer conservation but deems winter conservation equally important.

"Unique CDM programming needs" and "local constraints" is best explained by example - to mention a couple:

1. A significant number of homes in Sudbury remain electrically heated. In the north, there is much rocky terrain, thus, many areas are not serviced by gas nor will they be in the foreseeable future.

2. Northern winters are colder and harsher and as such vehicle block heaters are not a luxury but rather a necessity.

3. Ref: Page 4

In the application GSH stated that:

"whenever possible GSH will streamline its CDM efforts by seeking out synergies with OPA sponsored programs. For example, delivery vehicles used for the OPA programs will be leveraged for custom programs reaching similar audiences."

(a) Other than the Electric Thermal Storage Program, has GSH approached the OPA for funding of the other custom programs outlined in the application?

GSH has not approached the OPA for funding of any customer programs other than the Electric Thermal Storage program that was disclosed in the application. However, GSH is actively involved in delivering all the OPA programs that were made available to Utilities.

4. Ref: Page 4

In the Guidelines for Electricity Distributor Conservation and Demand Management, EB-2008-0037, March 28, 2008 the Board stated that:

Funding through distribution rates will therefore continue to be available for programs designed to address local CDM opportunities or other programs for which no OPA funding is available. Where funding for a particular program is not available from the OPA at the time of application, distributors may apply to the Board for funding through distribution rates. If funding from the OPA subsequently becomes available for a program which was approved through distribution rates, the Board expects the distributor to apply to the OPA for program funding to replace the distribution rate funding. This expectation applies equally where OPA funding for a distribution rate-funded program becomes available prior to the end of the term of a CDM plan.

(a) Has GSH received information from the OPA indicating that OPA funding is not available for the programs for which GSH is seeking approval from the Board?

Yes, with respect to the ETS program, GSH has applied to the OPA on two separate occasions. On both occasions, OPA funding was denied. A copy of the response is attached hereto. GSH has not submitted an application to the OPA for the other programs for which we are seeking approval from the Board.

(b) If not, why is GSH seeking funding through distribution rates?

CDM is high priority and as such we want and need to act quickly on the development of programs tailored specifically to the requirements of the community we serve.

(c) Please clarify when GSH expects to know if the custom application for the Electrical Thermal Storage Heating Program has been accepted or rejected by the OPA.

Please refer to attached email from Chris Barker, OPA, dated August 21, 2008 and GSH's request for response dated September 8, 2008.

At the time of filing responses to the Board Staff Interrogatories (September 16, 2008), GSH had not received a response to the email dated September 8, 2008.

(d) Please disclose all applications that GSH has with the OPA which are the same or similar to the programs for which GSH has applied to the Board for approval. Please provide any responses that have been provided by the OPA to GSH for each application.

ETS is the only program submitted to the OPA that is the same or similar. OPA responses as provided in items (b) and (c) above.

5. Ref: Pages 8-9

The Board noted in the Guelph Hydro Rate Decision (EB-2007-0742) that:
"the EDA and the OPA have recently agreed to establish an LDC Community Initiatives Fund designed to provide LDCs with funding for community initiatives to promote electricity conservation awareness and to enhance or promote their standard programs. This additional OPA funding is available in the years 2008, 2009, and 2010."

(a) Please clarify if GSH will be approaching the OPA for funding for the Community Awareness Program.

Greater Sudbury Hydro has received an allocation of $27,000 from the OPA's Community Awareness Program for the 2008 funding period. It is expected that this funding will be available in 2009 and 2010. The revised Community Awareness Program budget is shown in the table below.

Revised Community Awareness Program Budget:

	2009	**2010**	**2011**
Operating Expense	$23,000	$23,000	$50,000
Capital	$0	$0	$0
Total	**$23,000**	**$23,000**	**$50,000**

(b) If not, please explain why GSH finds it appropriate to have the Community Awareness Program funded through rates rather than through the OPA.

6. Ref: Pages 5-37

GSH is seeking Board authorization to spend $1,057,000 on an Electric Thermal Storage Program and $81,250 on a West Nipissing Street Conversion Program. In the Guidelines the Board stated that:

At the most detailed level, a TRC test should be performed to evaluate the cost effectiveness of a measure or technology. Once a technology has proven to be cost effective, a program can be designed using that technology. Once the program costs have been assessed, the TRC test will be performed again to evaluate the cost effectiveness of the program.

a) Please explain why GSH finds it appropriate to receive funding for the Electric Thermal Storage Program and the West Nipissing Street Conversion Program when the Total Resource Cost ("TRC") test results in 2008 are .21 and .60 respectively?

In EB-2006-0021 Decision With Reason, the Board states that:

However, the Board notes that the partial settlement refers to pilot programs as an example of programs where an exception to the threshold of 1.0 may be permitted. The implication is that there may be other types of programs. No other examples were provided. The Board prefers more certainty as to the exceptions in these circumstances. The Board therefore finds that the exception to the TRC threshold should be restricted to pilot programs at this time.

Due to high equipment and installation costs for the Electric Thermal Storage unit and the uncertainty of how well inductive lighting technology will withstand extreme Northern Ontario temperatures, GSH considers these technologies not completely ready for use in our part of Ontario and are therefore pilot in nature. As pilot projects, they should qualify under the OEB's decision, EB-2006-0021, as an exception to the TRC threshold of 1.0.

That being said, even with the inclusion of these pilot programs, the overall CDM portfolio proves cost effective.

7. Ref: Pages 24-32

(a) Please explain why GSH finds it appropriate to use a 10 percent free rider rate for the Electric Thermal Storage Heating Unit, Commercial Parking Lot Plug Controller Unit, and Vending Machine Power Controller Unit when the Board in the Toronto Hydro Decision (EB-2007-0096) determined that 30 percent was the appropriate rate for custom projects.

GSH finds it appropriate to use a 10 percent free rider rate for the Electric Thermal Storage Heating Unit, Commercial Parking Lot Plug Controller Unit, and Vending Machine Power Controller Unit because it is believed they are prescriptive in nature. The technologies included in these programs do not involve customized design and engineering and therefore a 10 percent free rider is more appropriate.

(b) Please provide the TRC results for the programs listed in (a) using a 30 percent free rider rate for 2008, 2009 and 2010.

TRC results using a 30 percent free rider rate for the programs listed in (a) are shown in the tables below.

2009 TRC Results

Programs	TRC Benefits[10] (NPV)	TRC Costs[11] (NPV)	TRC Net Benefits (NPV)	TRC Benefit Cost Ratio
Electric Thermal Storage Program	$34,889	$222,500	($187,611)	0.16
Commercial Parking Lot Plug Controller Program	$226,302	$218,000	$8,302	1.04
Vending Machine and Self Service Coolers Efficiency Program	$197,305	$123,000	$74,305	1.60
West Nipissing Street Light Conversion Program	$18,972	$34,601	($15,628)	0.55

[10] The avoided costs used in this analysis are those prepared by Navigant Consulting Ltd., June 14, 2005 for Hydro One Networks Inc, representing the official electricity avoided costs as approved by the OEB.

[11] Program costs reflect program budget outlined in Board Staff Interrogatory 1 (c).

2010 TRC Results

Programs	TRC Benefits[12] (NPV)	TRC Costs[13] (NPV)	TRC Net Benefits (NPV)	TRC Benefit Cost Ratio
Electric Thermal Storage Program	$69,778	$268,000	($198,222)	0.26
Commercial Parking Lot Plug Controller Program	$452,605	$252,000	$200,605	1.80
Vending Machine and Self Service Coolers Efficiency Program	$315,688	$140,000	$175,688	2.25
West Nipissing Street Light Conversion Program	$18,972	$27,275	($8,302)	0.70

2011 TRC Results

Programs	TRC Benefits[14] (NPV)	TRC Costs[15] (NPV)	TRC Net Benefits (NPV)	TRC Benefit Cost Ratio
Electric Thermal Storage Program	$104,667	$379,500	($274,833)	0.28
Commercial Parking Lot Plug Controller Program	$565,756	$327,500	$238,256	1.73
Vending Machine and Self Service Coolers Efficiency Program	$315,688	$131,000	$184,688	2.41
West Nipissing Street Light Conversion Program	n/a	n/a	n/a	n/a

[12] Ibid
[13] Ibid
[14] Ibid
[15] Ibid

8. Ref: Pages 24-32

Please identify any programs that include measures not listed in "Inputs and Assumptions for Calculating Total Resource Cost" posted on the Board's website on March 28, 2008 and/or programs where the inputs and assumptions (e.g. energy savings, free rider rates, equipment life, etc.) used by GSH differ from the Board approved inputs and assumptions. For any such programs, please provide documentation supporting the inputs and assumptions used by GSH.

The measures included in the programs are relatively new technologies and therefore are not listed in the 'Inputs and Assumptions for Calculating Total Resource Cost' posted on the Board's website. The availability of information supporting the inputs and assumptions used for the measures are summarized in the table below.

Program	Measure(s)	Source
Community Awareness Program	Information Only	n/a
Electric Thermal Storage Program	Electric Thermal Storage	Appendix A of GSH's CDM Funding (2008 to 2010) Application
Commercial Parking Lot Plug Controller Program	Plug Controller	Appendix A of GSH's CDM Funding (2008 to 2010) Application
Vending Machine and Self Service Coolers Efficiency Program		Appendix A of GSH's CDM Funding (2008 to 2010) Application
LED Traffic Light Conversion Program	LED Traffic Lighting	Appendix A of GSH's CDM Funding (2008 to 2010) Application
West Nipissing Street Light Conversion Program	Mercury Vapor Light	OEB Measure List (400W Mercury Vapor converted to 250W HPS Lamps used as a proxy.

9. Ref: Page 7 Footnote 9

Please provide the estimated winter peak load savings opportunities.

The estimated winter peak load savings opportunities are shown in the table below.

Estimated Winter Peak Demand Savings

	Annual Gross Demand (Winter) Savings[16] (kW)	**Annual Net Demand (Winter) Savings[17] (kW)**
2009	354.97	313.68
2010	709.93	609.35
2011	815.63	734.07
Total	**1,880.53**	**1,657.10**

[16] Based on winter peak demand savings for LED Traffic Light Conversion Program (0.103 kW/unit) and Commercial Parking Lot Controller Program (0.652.5 kW/unit).

[17] Ibid.

10. Ref: Page 8
How many "electricity monitors" would be available under this program?

GSH currently has 60 monitors that are available for loan.

11. Ref: Page 9
What is the planned timing of the installation of Smart Meters by GSH?

GSH currently has a 500 meter pilot in place. GSH plans to install 50% of its mandate in 2009 and 50% in 2010 but subject to change to 100% in any one year.

12. Ref: Pages 9-10

(a) At a participant cost of $400.00 per ETS Heating Unit, how firm is the estimate of 300 participants over the 3 years?

We believe the ETS program will be over-subscribed in the first year. This program will be offered as part of the smart meter education program.

The financial benefits of the ETS heaters will prove to the consumers that in fact there can be immediate and significant financial benefits to smart meters. The early subscribers will realize these benefits and become our greatest ambassadors for smart meters, energy conservation and load management. Subsequent word of mouth will drive the demand for this program.

(b) Is the participation rate based on any factual or survey information?
The participation rate is based upon survey information.

(c) What are the annual energy cost savings for participants and therefore what is the anticipated cost-recovery period?

As outlined in Appendix A, the Electric Thermal Storage heaters do not provide electricity savings but do provide substantial load shifting opportunities. Energy from electricity in the form of heat, purchased during off-peak periods at low cost is used for space heating during on-peak periods. Off-peak hours are those times during (usually at night) when electricity can be supplied most economically.

Based on manufacturer claims[18] of estimated load shifting opportunities are as follows:

Energy Savings Winter Peak (kW.h)	Energy Savings Winter Mi (kW.h)	Energy Savings Winter Off Peak (kW.I	Energy Savings Summer Peak (kW.I	Energy Savings Summer Mid (kW.h)	Energy Savings Summer Off Peak (kW.h)	Energy Savings Shoulder Mid (kW.	Energy Savings Shoulder Off (kW.h)
795.91	333.70	(1,129.62)	0.00	0.00	0.00	862.68	(862.68)

Using TOU rates effective May 1, 2008 to October 31, 2008 shown below as a proxy, the anticipated cost-recovery period is as follows:

[18] http://www.steffes.com/offpeak/company/units.aspx

Day of the Week	Time	Time-of-Use Period	Time - of-Use Price (cents/kWh)
Winter Weekdays (Nov 1st - Apr 30th)	7:00 am to 11:00 am	On-Peak	9.3
	11:00 am to 5:00 pm	Mid-Peak	7.3
	5:00 pm to 8:00 pm	On-Peak	9.3
	8:00 pm to 10:00 pm	Mid-Peak	7.3
	10:00 pm to 7:00 am	Off-Peak	2.7

Monthly Electricity Bill Savings:

Winter Peak Cost Savings:

= 795.91 kWh X $0.093

= $70.67

Winter Mid Peak Savings:

= 333.70 kW X $0.073

= $24.36

Shoulder Mid Peak Savings:

= 862.68 X $0.073

= $62.98

Total Savings

= $70.67 + $24.36 + $62.98

= $158.01

Monthly Electricity Bill Increases:

Winter Off Peak Increase

= 1,129.62 kWh X $0.027

= $30.50

Shoulder Off Peak Increase

= 862.68 kWh X $0.027

= $23.29

Total Costs

= $30.50 + $23.29

= $53.79

Net Annual Electricity Bill Savings:

= ($158.01 X 6) – ($53.79 X 6)

= $948.06 - $322.74

= $625.32

Simple Payback:

= $2,900 - $2,500 (incentive) / $625.32

= 0.64 years

(d) What is the expected service life of the ETS Heating Unit?

The expected life of the ETS unit is 18 years.

13. Ref: Page 10-11

For each of the three years of the ETS Heating Program and the Parking Lot Plug Controller Program, the Operating Expenses (over and above the proposed participant subsidies) are $97K, $100K and $110K for 2008, 2009 and 2010, respectively. What are the elements that contribute to these costs?

The aforementioned operating expenses include but are not limited to:

- Administrative – program planning, customer interaction, processing pertinent paperwork / work orders, dispatching contractor, filing, analytical review of work orders and reporting.
- Operations – cold calls, co-ordination, site inspections
- Marketing – advertising via newspaper, direct mail out, radio, television

14. Ref: Page 14

If the removed mercury vapor street light fixtures indeed do contain residual mercury, what waste management plans have been set in place for proper disposal of these lights and have the costs of this waste management program been included in the proposed budget?

GSH is environmentally conscientious and has an established and funded procedure for disposal of hazardous waste. The removed mercury vapor fixtures will be placed in the cardboard packaging and stored at the GSH hazardous waste storage facility until all fixture replacements are complete. Once complete, a licensed hauler and disposition service for hazardous waste shall be contracted for the pick-up and final disposal.

Ontario Power Authority

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October 27, 2006

Paula Tarini
Supervisor CDM Programs
Greater Sudbury Utilities
500 Regent Street / rue Regent
PO Box 250 / CP 250
Sudbury, ON P3E 4P1

Dear Paula:

We would like to thank you for submitting your application to the Ontario Power Authority for support through the Conservation Fund. While we did give your request full consideration, I regret to inform you that your proposal was not successful in receiving approval.

Upon careful review, the Grant Award Committee felt that 'Build Heat while you Sleep' was a strong proposal, and the initiative worthwhile however we note that it has previously been funded under OEB authorization and would therefore be a good candidate for continued funding under additional OEB authorization which we understand is obtainable in conjunction with your 2007 rates application. Also, in light of the July 13th directive from the Government authorizing OPA to develop a program for LDCs to deliver CDM under funding derived from the Global Adjustment, the Grant Award Committee determined that it would no longer be appropriate for the Conservation Fund to provide funding to LDC's for conservation-related initiatives.

We do appreciate the significant effort it takes to assemble these proposals and thank you for the care and time Greater Sudbury Utilities has put into this application and into this initiative. We hope that you do pursue this initiative, and wish GSU the very best of luck in its execution.

Please accept our best wishes for the conservation work you are doing in Sudbury.

Sincerely,

Bryan Young
Manager, Conservation and Technology Development Funds

Tarini, Paula

From: Tarini, Paula
Sent: September 8, 2008 9:02 AM
To: Chris Barker
Subject: RE: Custom Application Program

Good morning Chris;

With respect to the TRC benefit cost ratio for the Electric Thermal Storage Program, I refer you to pages 24 & 25 of our application to the Ontario Energy Board.

Chris, could you please provide Greater Sudbury Hydro with a firm response to our custom application, submitted to the Ontario Power Authority on April 1, 2008 at 14:04, on or before September 11, 2008.

Respectfully;

Paula Tarini
Supervisor - CDM
Greater Sudbury Hydro Inc
Phone: 705-675-0502 / Fax: 705-675-0528

From: Shelley Alleyne [mailto:Shelley.Alleyne@powerauthority.on.ca] **On Behalf Of** Chris Barker
Sent: August 21, 2008 3:43 PM
To: Tarini, Paula
Subject: Custom Application Program
Importance: High

Hello Paula,

In your June 2008 submission to the Ontario Energy Board (OEB) titled *Custom Programs Conservation and Demand Management Plan for the Period 2008 to 2010* your plan included funding for an Electric Thermal Storage Program that was also submitted for funding as a Custom Program application to the Ontario Power Authority (OPA) – as noted on page 9 of your submission to the Board. In Table 5.1 in your submission to the Board you included a TRC Benefit Cost Ratio of 0.21 for the Electric Thermal Storage Program, however, in your Custom Program application to the OPA, the TRC test was not provided and the proposed measures were not submitted for review.

The Custom Program application cannot move forward until all information that contributed to the TRC test in your OEB submission has been provided to the OPA. Included in the information should be a load profile, annual energy electric savings (kWh), annual peak electric demand savings (kW), and incremental equipment and O&M costs for all measures proposed in the program. Please also provide your TRC calculation.

As described in the application for Custom Programs, a TRC test must be completed with the application and programs must pass the TRC test to receive funding.

Regards,

Chris Barker

 please consider the environment before printing this email.