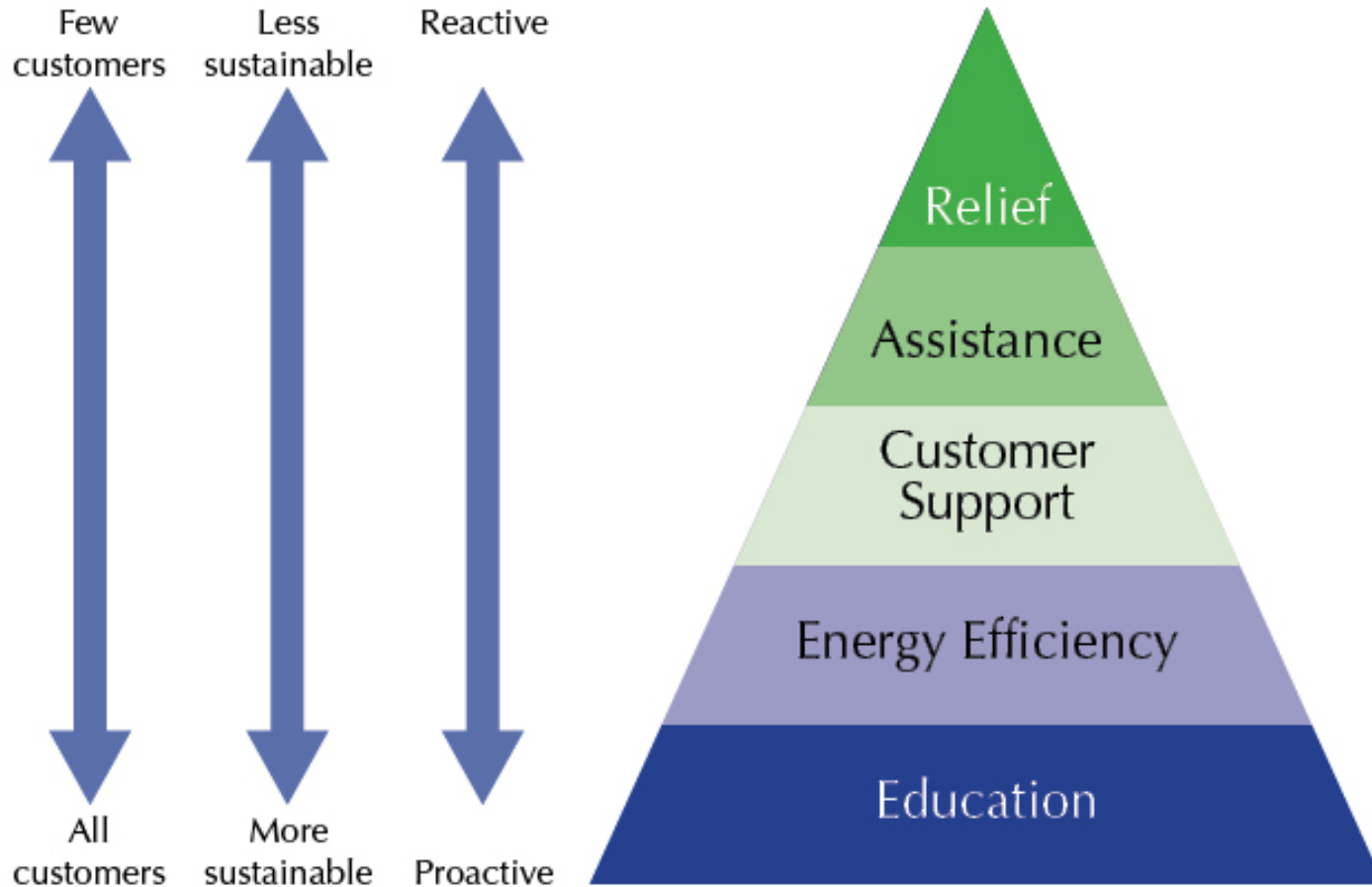


# Submission to: Consultation on Issues Relating to Low Income Consumers

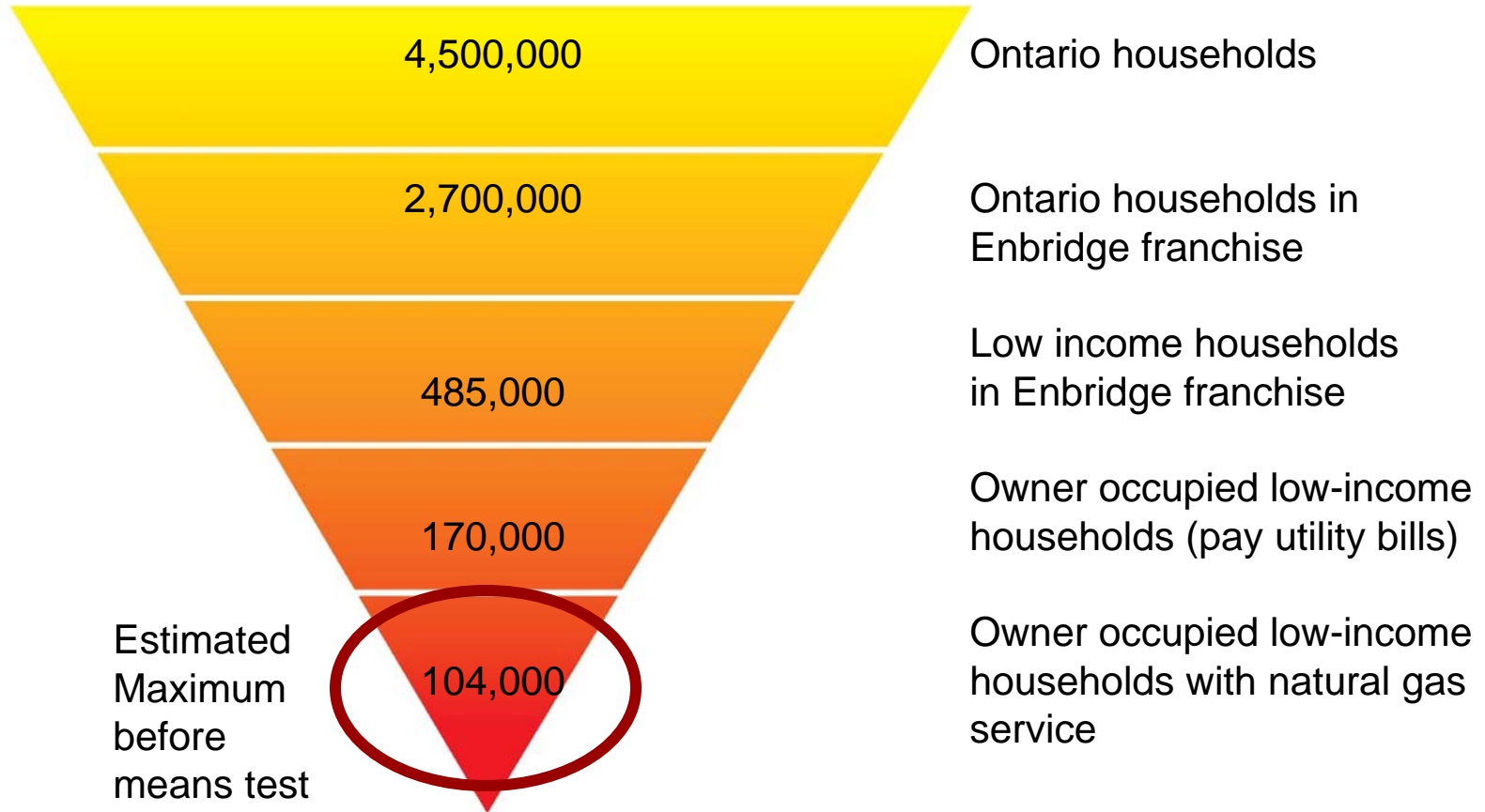
*Topic #6: Conservation Demand Management and Demand-Side  
Management Programs for Low Income Consumers*

Patricia Squires,  
Manager, Market Development  
Thursday, September 25, 2008

# Residential customer service model



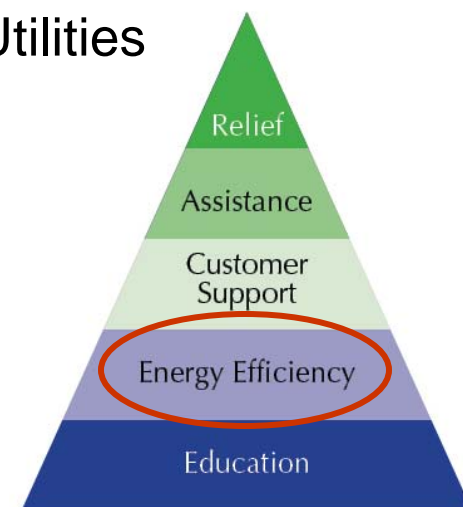
# Enbridge's low-income household reach



# Enbridge Low-Income DSM

- OEB mandates the level of spending
  - 14% of residential energy efficiency program dollars specifically for low income customers\*
- Intended to correspond to the proportion of low-income residents in the province

\* EB-2006-0021 Generic Hearing on DSM for Gas Utilities



# DSM Program Overview

## 1) Enhanced TAPS Program

- Customized pre-existing TAPS program to include a free programmable thermostat, in addition to regular TAPS measures: foam pipe insulation, low-flow showerheads and kitchen/bathroom faucet aerators for low income customers
- Typical energy savings:
  - 345 m<sup>3</sup> of gas
  - 50 litres of water
  - 52 kwh of electricity
- Typical energy bill savings:
  - \$94 per year
- Additional water and sewer cost savings

# DSM Program Overview

## 1) Enhanced TAPS Program (cont.)

- Program delivered by contractors across the franchise through neighbourhood blitzes in identified low income areas.
- Enhanced TAPS application forms are also available through local neighbourhood community groups.
- To qualify, applicants must meet at least one of the following criteria:
  - Income level at or below 125% of LICO
  - Receiving Ontario Works (OW) benefits
  - Receiving Ontario Disability Support (ODSP) benefits
  - Reside in low-rise social housing
  - Receiving rent supplements

# DSM Program Overview

## 2) Home Weatherization Retrofit

- Delivery of home energy audits (including blower-door test) to identify eligible homes for implementation of cost-effective building envelope upgrades to increase air tightness.
- Measures include:
  - Caulking and weather stripping around doors and door frames, around window casings, around headers and baseboards and attic hatches
  - Insulation into wood framed wall cavities and crawl spaces, attics, and basement walls
- Second audit completed after measures implemented
- Average utility cost of measures: \$2700 per home

# DSM Program Overview

## 2) Home Weatherization Retrofit (cont.)

- Typical energy savings:
  - 1,160 m<sup>3</sup> of gas
  - 189 kwh of electricity
- Typical energy bill savings:
  - \$500





# DSM Program Overview

## **3) Market Transformation, Education and Supporting Activities**

- Green Boxes (including Enhanced TAPS applications) delivered through food banks
- Community animator activities and/or workshops with social agencies (under development)
- Targeted advertising in community/ethnic media
- Press releases, MP and MPP mailings, transit ads, etc.

# Additional Market Development Low Income Activities – Fuel Switching

- Non-DSM initiative targeted at Low Income customers: water heater fuel switching
- Gas water heat 23% less expensive than electric water heat with storage type tank, 63% less expensive than electric with tankless water heater
- Program: natural gas tankless water heater provided and installed at no cost to low income customer, with augmented service/maintenance plan
- To be eligible, consumer must be on main (but not necessarily an existing customer). Enbridge pays cost of installing a gas service line to the home if needed.



# Low-income DSM Challenges and Opportunities

Challenges	Opportunities
<ul style="list-style-type: none"><li>• Low customer uptake in existing programs</li></ul>	<ul style="list-style-type: none"><li>• More sophisticated targeting – addressing language/ethnicity barriers, increased leverage of trusted information sources (e.g. faith-based)</li></ul>
<ul style="list-style-type: none"><li>• Low-income customers are hard to identify e.g. privacy</li></ul>	<ul style="list-style-type: none"><li>• Increased leverage of third party social agencies for screening</li></ul>
<ul style="list-style-type: none"><li>• No standard definition of low-income in Ontario</li></ul>	<ul style="list-style-type: none"><li>• Utilities and OPA agree to standard definition</li></ul>

# Low-income DSM Challenges and Opportunities

Challenges	Opportunities
<ul style="list-style-type: none"><li>• Many players, little coordination</li></ul>	<ul style="list-style-type: none"><li>• Increased information sharing, coordinated communications, etc.</li></ul>
<ul style="list-style-type: none"><li>• DSM is focused on high-TRC programs; many low income programs are either not cost-effective or marginal (in terms of TRC)</li></ul>	<ul style="list-style-type: none"><li>• Need to consider alignment of low income drivers with corporate drivers</li></ul>

# Summary

- Enbridge continues to deliver a portfolio of DSM program activities targeted to the Low Income segment
- DSM Programs address an education and energy efficiency need (prevention)
- Impact of programs is focused on the home, not the consumer
- Limited opportunity for utilities to impact overall residential spending needs through DSM programs

