

BY EMAIL and RESS

January 26, 2024

Ms. Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Marconi:

**EB-2023-0195 Toronto Hydro-Electric System Limited 2025–2029 Rates Application -
Building Owners and Managers Association's Proposal to file Expert Evidence**

I am writing pursuant to Procedural Order No. 1 to inform the Ontario Energy Board (OEB) of Building Owners and Managers Association's (BOMA) proposal to file expert evidence in the above noted proceeding.

Proposed Evidence

BOMA represents owners and managers of commercial, multi-residential and light industrial buildings ("commercial building sector"). The proposed evidence would focus on Toronto Hydro-Electric System Limited's (Toronto Hydro) proposed load forecast methodologies and the resulting 2025-2029 load forecast, with respect to the commercial building sector.

During the 2025-2029 period, the commercial building sector will undergo substantial changes in electricity consumption and load shape due to the energy transition. Electricity load growth due to customer additions will be offset by expected higher efficiency of new buildings and increased take-up of conservation and demand management (CDM) measures. Electrification of existing and new buildings is already beginning, with planning and installation of heat recovery chillers in large commercial and institutional buildings and air source heat pumps in smaller buildings. Traditional load forecasting methodologies are not well suited to project the individual or cumulative effect of these new emerging trends.

The proposed evidence will present results of analysis of electricity consumption trends for different commercial building types that are based on the most recent empirical data from Ontario's Energy and Water Reporting and Benchmarking (EWRB) for commercial buildings and Broader Public Sector (BPS) for institutional buildings, together with comparative electricity usage and load profiles from highly efficient office, hospital and school buildings, with which Enerlife Consulting has direct working experience. These results will then be used to establish a model to quantify the impacts of CDM and electrification in the commercial building sector's load forecast and load shape. The new modelling results, and the plans of commercial and institutional building owners, will be utilized to prepare and explain alternative commercial building sector load forecast scenarios over the period of this application and beyond. The evidence will highlight areas where the modelling results support or are inconsistent with the load forecast provided in Exhibit 3. The work will focus in particular on the potential for electrification of different commercial building types with little or no addition of electrical demand at the distribution system (or upstream) level.

The project lead for this work would be Ian Jarvis, P.Eng, president of Enerlife Consulting, with support from Clement Li, Enerlife's Director of Policy and Regulatory Development and engineering staff.

Relevance to the Issues List

The proposed evidence is particularly relevant to issue 4 (Load and Other Revenue Forecast) as it will highlight areas where the modelling results support or are inconsistent with the load forecast provided in Exhibit 3. The proposed evidence will comment on electrification, Net Zero 2040 Strategy, the Distribution System Plan (provided in Exhibit 2B) and cost allocation process (included in Exhibit 7) and therefore is also relevant to issue 3 (Rate Base and Capital Plan) and issue 8 (Cost Allocation).

Interplay with Other Experts

BOMA has conferred with OEB staff regarding the expert evidence referenced in OEB staff's January 24th, 2024 letter, and has determined that there would be no overlap. BOMA will reach out and coordinate with Toronto Hydro and other intervenors in this proceeding, where appropriate, to avoid potential duplication of effort.

Experience of Ian Jarvis (lead)

Mr. Jarvis is a leading expert on energy use and conservation in commercial buildings. His practice includes conservation potential studies and reporting on actual annual savings and emissions reductions achieved in Ontario's commercial building segments and in other jurisdictions across North America with publicly reported utility data. He leads development of multi-year conservation plans for major building owners and sectors including commercial landlords, Alberta hospitals, Ontario schools and colleges and New York State's nursing homes. A practising professional engineer, Mr. Jarvis also brings experience of hands-on engineering for retrofits and recommissioning projects in all types of commercial buildings.

For more than three decades, Mr. Jarvis has worked for building owners, utilities and governments across Canada and in the United States. He has advised the Government of Canada as a member of the National Advisory Council on Energy Efficiency as well as the governments of Ontario and Nova Scotia on expert panels. He has provided expert testimony to the OEB in previous proceedings related to natural gas rates, pipeline expansion and Demand Side Management (DSM) programming (most recent proceeding: EB-2022-0200 Enbridge Gas Inc. Rebasing Application).

Mr. Jarvis was the founding chair of the Canada Green Building Council, represents the Building Owners and Managers Association in Ontario Energy Board proceedings, has authored many case studies, reports and peer reviewed white papers and is a frequent public speaker on energy efficiency policy, programs, strategy and market dynamics related to decarbonization and progression towards net zero emissions in commercial buildings. Mr. Jarvis' CV is attached.

Experience of Clement Li (support)

With over 30 years of experience in Ontario's electricity industry, Mr. Li has broad knowledge of related regulatory practice and policies, including OEB and Canada Energy Regulator (CER) framework, codes and orders, rate setting and leave to construct filing requirements, Independent Electricity System Operator (IESO) market rules and government legislation and regulations.

In his role as Director, Policy & Regulatory Development at Enerlife, Mr. Li leads the representation of commercial building owners and BOMA with the Ontario Government, OEB and the IESO. He plays a crucial role in aligning public policy, codes, regulations and programs with BOMA's framework for achieving and sustaining high levels of energy efficiency and decarbonization in commercial, institutional and multi-residential

buildings. Mr. Li's past experience at Hydro One involves providing evidence and testimony for regulatory hearings, special committees and consultation sessions, CDM program design and implementation, transmission and distribution cost allocation and rate design, managing regulatory compliance activities, as well as providing expert guidance and advice to senior management and internal/external stakeholders.

Mr. Li serves on Canadian Standards Association's technical committees (HVAC and Refrigeration, and Residential Equipment), reviewing current and proposing new standards. Mr. Li's CV is attached.

Budget

BOMA estimates that this expert report will cost \$35,000 to prepare. The cost for interrogatory responses, a technical conference and hearing and responding to any additional undertakings will be in addition to that amount. It is difficult to predict such additional costs because they depend primarily on the actions of other parties. Based on previous experience, time for such additional steps beyond the preparation of evidence may add an additional 40% to the costs.

BOMA estimates the incremental counsel costs required in relation to the preparation and presentation of the proposed evidence will be between \$4,000 and \$10,000.

Conclusion

BOMA believes the OEB and intervenors would benefit from the proposed evidence, bringing additional data and perspective from the commercial building sector to this important proceeding. The Energy Transition is already happening, and changes are coming quickly. Including the latest empirical data in this proceeding can help reach better decisions for the term of this application and beyond.

Sincerely,

A handwritten signature in blue ink, appearing to read "Clement Li".

Clement Li

Director, Policy & Regulatory Development

Enerlife Consulting Inc.

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