

SCOPE, DESIGN, IMPLEMENT, EVALUATE

DSM Pilot RFP

Description of Contract Services

Project Initiation & Data Intake
 Develop Preliminary Plan
 Assess EPCOR Specific Potential
 Assess Cost Effectiveness
 Regulatory Advisory Role
 Discount
 Subtotal
 Inflation from 2021

Subtotal

Implementation

Regulatory Filing Costs	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Content development	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Deliver (mail, email blast etc)	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000
Implementation ENGLP Costs (FTE-2.7 staff)	\$ 388,750	\$ 388,750	\$ 388,750	\$ 388,750	\$ 388,750
Subtotal	\$ 483,750	\$ 483,750	\$ 483,750	\$ 483,750	\$ 483,750

Total

Customer Count
 Annual costs
 Per bill

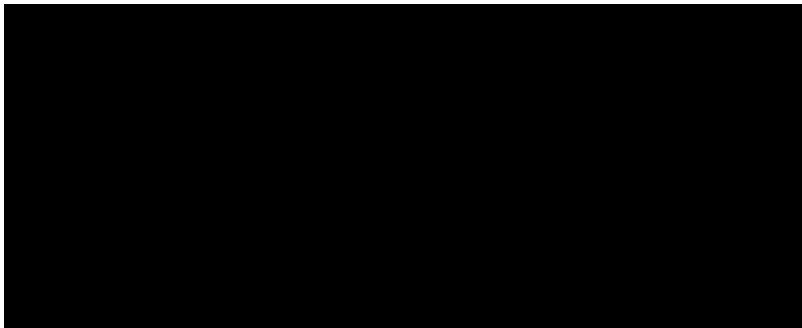
Summary:

Estimates above include financial feasibility study, application and implementation costs. Program operating and fulfillment costs (customer material or incentives) are not included in this analysis.

Vendor submissions resulted in a range from \$90K to \$454K, with an average of \$196K.

Total implementation costs are expected to equal the \$483,750 cost plus the third party vendor estimate.

Total calculated per bill costs range from \$4.89 per bill to \$7.97 per bill with an average of \$5.78 per bill. This includes estimates for both vendor implementation costs and internal ENGLP costs.



Description of Internal Services

Project Management FTE: Responsible for overall delivery of program, including training of internal staff, liaise with external vendors

Marketing FTE: Vendor management, channel management, Marketing Execution

Customer Service: Responds to customer queries

Financial & Analytics FTE: Administration and accounting for CDM programs, including EM&V Plans, prepare calculations based on set procedures. Prepare monthly activity reports for analysis by program managers. Assist program managers in variance analysis as required.

Financial support for regulatory affairs to track and account for energy savings by program

Regulatory FTE: With vendor support, lead DSM filing including initial program filing, annual updates and to track and account for DVAs.

PROS

Quick product to market

CONS

Initial costs & bill impacts to customers would be significant

Material greenhouse gas reductions would not be achieved

Does not contemplate pipeline alternatives defer and/or avoid future natural gas infrastructure projects.

The pilot would require the support of all customers yet be limited to one or possibly two offerings resulting in benefits that would accrue to only a subset of customers. Specifically, customers who did not participate would end up cross-subsidizing, through natural gas distribution rates, energy efficiency upgrades for those customers who do participate

If Enbridge can support, some of the pilot work may not be useful as methodologies would need to be consistent

No certainty of recovery of costs