

## *Cornerstone Hydro Electric Concepts Association Inc.*

---

---

October 26, 2005

Mr. John Zych  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
26<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

Dear Mr. Zych

**Re: Comments on the Draft Guidelines for Annual Reporting of CDM Initiatives – RP-2004-0203**

The Cornerstone Hydro Electric Concepts Association (CHEC) is pleased to comment on the “Draft Guidelines for the Annual Reporting of CDM Initiatives”. The Annual Report represents both the regulatory requirement to report and the public record of the efforts and achievements of LDC’s with respect to demand management in the Province. The Annual Reports and any summary of the reports will provide an important indicator of the success of CDM across the Province.

While supporting the general layout of the Annual Report the following comments are made to help ensure a clear understanding and effective reporting of the CDM Program results.

**Evaluation of the Overall Plan – Need to Focus on TRC:** To design and determine the societal benefits for implementing a CDM Program the OEB has chosen the Total Resource Cost model. It is suggested that the TRC measure should be the first measure reported and highlighted in the Annual Report, to remain consistent with the evaluation tool that the OEB has initiated. The other measures would be included in the report, as appropriate, to support the TRC.

**Template for Numerical Data:** In the Draft Guidelines it appears that much of the information presented in the “Evaluation of Overall Plan” is numerical in nature with the details to follow in the “Discussion of the Programs” section. The inclusion of a template to report this numerical information in a standard format would assist the LDC’s in reporting while allowing the OEB to better summarize data from the individual Annual Reports.

**Definitions:** A number of indicators are to be reported in the Annual Report. Addition of definitions for various terms is required to ensure consistent interpretation by all LDC’s reporting. Such terms as “Conservation Expenditures”, “Gross Participant Expenditures”, “Dollars spent per participant”, etc. need to be clarified to ensure they are interpreted consistently.

**Annual kWh:** Direction is required with respect to the expectation on how to handle implementation timing and measures implemented over a given period. For instance a CFL Program would save considerably more energy if implemented early in the year vs. later in the year. The expectation of the Board with respect to accounting for the timing of implementation is required.

---

---

## *Cornerstone Hydro Electric Concepts Association Inc.*

---

**Cumulative Impacts:** The intent of this section (2g) of the Annual Plan is not evident. The CDM Plans will impact on revenue which may impact on rates pending approvals. Clarification is required with respect to the expectation of the information to be provided to meet the requirements of this section.

**Discussion of Program Format:** This section is formed of general discussion and information with respect to each CDM Program along with a summary of the measures specific to the program. Again it is suggested that the OEB provide a template for the numerical measures associated with the Programs. This will provide a standard layout and will assist with futures benchmarking.

**Support Programs:** Education programs, energy audits, conservation brochures and websites are examples of programs that may not have an immediate savings in kWh but will support the success of future programs. These programs, on the short term, can negatively impact on measures such as overall TRC and conservation expenditures per kWh delivered. Some recognition of the benefits of these programs for future returns should be accommodated in the Annual Report.

**Lifetime Savings:** The lifetime savings for both electricity and other resources was not specifically calculated when performing the TRC calculation. Lifetime savings is taken into account in the TRC by calculating societal cost and benefits. Is it necessary to report lifetime savings of discreet measures as the societal impact has already been identified?

**CDM Partners:** Reference to partners and/or program delivery support should be noted in the program details as this could impact significantly on program results and costs. It should be clear how to account for expenditures that have been incurred by partners for the delivery of programs, even if they are not charged to the utility. Further direction should be included in the Guideline.

**Lesson Learned Section:** This section is to evaluate and benchmark programs for greater efficiency in delivery and cost effectiveness however it is unclear exactly what type of information is desired. The distributors can provide information on "What worked and what did not" however at this early stage of CDM it is unlikely that any true benchmarking can be provided. It is suggested that the goal of this section be modified accordingly.

Benchmarking of the various programs and delivery models will occur once the Annual Reports are filed.

We trust that this input will be of assistance and we look forward to the final Guideline for Annual Reporting of CDM Initiatives.

Yours truly,



Gordon A. Eamer, P.Eng.  
CHEC CDM Coordinator

- cc. Darius Vaiciunas – CHEC Chairperson  
Bruce Craig – CHEC CDM Committee Member  
Jay Heaman – CHEC CDM Committee Member  
John Walsh – CHEC CDM Committee Member
-