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October 27, 2005

Mr. John Zych
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Toronto ON
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Re: Comments on the Draft Guideline for Annual Reporting of CDM Initiatives-RP-2004-0203

The following comments are provided on behalf of the Coalition of Large Distributors (CLD); Enersource Hydro Mississauga, Horizon Utilities Corporation, Hydro Ottawa Limited, PowerStream Inc., Toronto Hydro-Electric System Limited and Veridian Connections Inc., who are coordinating their participation in the preparation and implementation of Conservation and Demand Management (CDM) Plans.

The CLD's understanding of the purpose of the annual report on CDM Plans is to demonstrate that the LDCs' CDM Programs are effective and being operated in an efficient way and for other utilities to be able to share from others' experiences.

1. Introduction-No comments
2. Evaluation of Overall Plan

It is understood that what will be discussed in this section and throughout the entire report are those CDM initiatives that have been conducted during the reporting year. It is also understood that the reporting 'by major customer segments' will be by those customer segments which were identified in each of the CLD utilities' plans. The final guidelines should confirm whether these understandings are correct or not.

LDC's are investing in smart meter technology at the direction of the Ontario government and therefore TRC results and kWh/kW savings will not be reported for smart meters.

A definition of 'participant' is required.

In Sections a), b) and e) it is not clear why both kW and kVA values are required. The CLD recommends that only kW be required as that would simplify the reporting requirements and make comparisons between utilities easier. Note that kW and kVA are related by the power factor and therefore it would be redundant to report both. kW have been reported to date and determining the power factor in many instances would be difficult.

It is recommended that Section d) Gross Participant Expenditure by Customer Class be removed. The dollars spent by the customer in implementing a CDM initiative will be difficult to obtain and would be proprietary. In the calculation of the Total Resource Cost test, utilities will be using the Incremental Equipment Costs provided in the Assumptions and Measures List in the Total Resource Cost Guide issued by the Ontario Energy Board on September 8, 2005.

Section f) Net present value of TRC benefits, broken out by major customer segment. As indicated above, LDCs are tracking benefits by the programs as outlined in their plans and as approved by the OEB. Programs may cross several customer segments. In addition, unnecessary additional costs would be incurred to break out the reporting in another way. Therefore it is suggested that this Section be changed to 'Net present value of TRC benefits, broken out by approved CDM programs'. Going forward it would be useful to state that any data reported should be aggregated in such a way that identification of a single customer cannot be done.

The requirement in Section g) First year and cumulative rate impacts of plan of conservation programs, broken out by major customer segments is premature and should be removed. LDCs are not positioned to prospectively determine how LRAM and SSM will apply to rates. Lost revenues can be determined and therefore it is recommended that this Section be changed to 'Lost revenues, broken out by approved CDM program'.

3. Discussion of the Programs

Section f) – same comment as per Sections 2a), b) and e) above regarding kW and KVA.

It is suggested that the OEB provide a prescribed table for reporting results and that the table be supported with defined data requirements.

4. Lessons Learned-No comments

5. Conclusion-No comments

Thank you for the opportunity to comment on the Draft Guideline for Annual Reporting of CDM Initiatives and if you require any clarification on the above points, please contact the undersigned.

Sincerely,

Original Signed By:

Jane Scott
Senior Regulatory Engineer
Hydro Ottawa
On Behalf of the Coalition of Large Distributors

cc. Coalition of Large Distributors