

## **RFP Scope of Work for the Conservation and Demand Management (CDM) Study**

### **BACKGROUND**

#### Ontario Energy Board (OEB) Directive

In its decision for Hydro One Networks Inc.'s (HONI) 2011-2012 transmission rate case (EB-2010-0002)<sup>1</sup>, the OEB directed HONI to work with the Ontario Power Authority (OPA) in devising a robust, effective, and accurate means of measuring the expected impacts of CDM programs.

#### CDM impacts in HONI's load forecast

The CDM impacts incorporated in HONI's load forecast can be categorized as follows:

1. Programs required to meet the CDM target
  - Programs contracted by the OPA
  - Programs initiated by LDCs
2. Codes and Standards
  - Building codes
  - Energy efficiency standards for appliances and equipment
3. CDM initiatives from other organizations
  - Initiatives from federal/provincial/municipal governments
  - Initiatives from natural gas distributors
  - Initiatives from other non-government organizations
4. Customers' own actions (not captured by specific CDM programs)
  - Efficiency improvements beyond codes and standards
  - Conservation actions such as turning down the thermostat, switching off the lights, using cold water for laundry, etc.
  - Fuel switching (e.g., switching from electric space heating to natural gas space heating)
  - Response to Time-of-Use prices (starting 2010)

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<sup>1</sup> [http://www.oeb.gov.on.ca/OEB/Documents/Decisions/dec\\_with%20reasons\\_HONI\\_20101223.pdf](http://www.oeb.gov.on.ca/OEB/Documents/Decisions/dec_with%20reasons_HONI_20101223.pdf)

## **PROJECT SCOPE**

HONI intends to initiate a study with the following scope of work:

1. Review the methodology currently used by HONI.
2. Work with the OPA.
3. Devise a robust, effective, and accurate means of measuring all expected CDM impacts mentioned in the Background section. This work includes, but is not limited to:
  - a. Programs required to meet the CDM target
    - For OPA-contracted programs, work with the OPA to document the assumptions used for measuring expected CDM impacts.
    - For additional programs promulgated by HONI and other LDCs, review available information and document the assumptions used to measure expected CDM impacts.
  - b. Codes and Standards
    - Review current efficiency codes and standards in Ontario.
    - Review information available from the OPA and recommend an approach to estimate the impacts of codes and standards.
  - c. CDM initiatives from other organizations
    - Recommend a methodology to measure the expected savings from programs initiated by “other organizations” for incorporation in the load forecast.
  - d. CDM impacts of customers’ own actions
    - Review HONI’s current methodology to capture the savings from customers’ own actions and provide recommendations for improvements.
    - Recommend a methodology to estimate the impacts of TOU prices.
4. The recommended methodology must be appropriate for both transmission and distribution customers. In the case where the methodology differs, it must be clearly stated and explained in detail.
5. Prepare a final report for submission to the OEB and to provide proceeding support as required.