

# CDM Impacts

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Stakeholder Consultation Session  
February 10, 2011

Stan But

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Manager, Economics &  
Load Forecasting  
Hydro One



# Topics to be covered

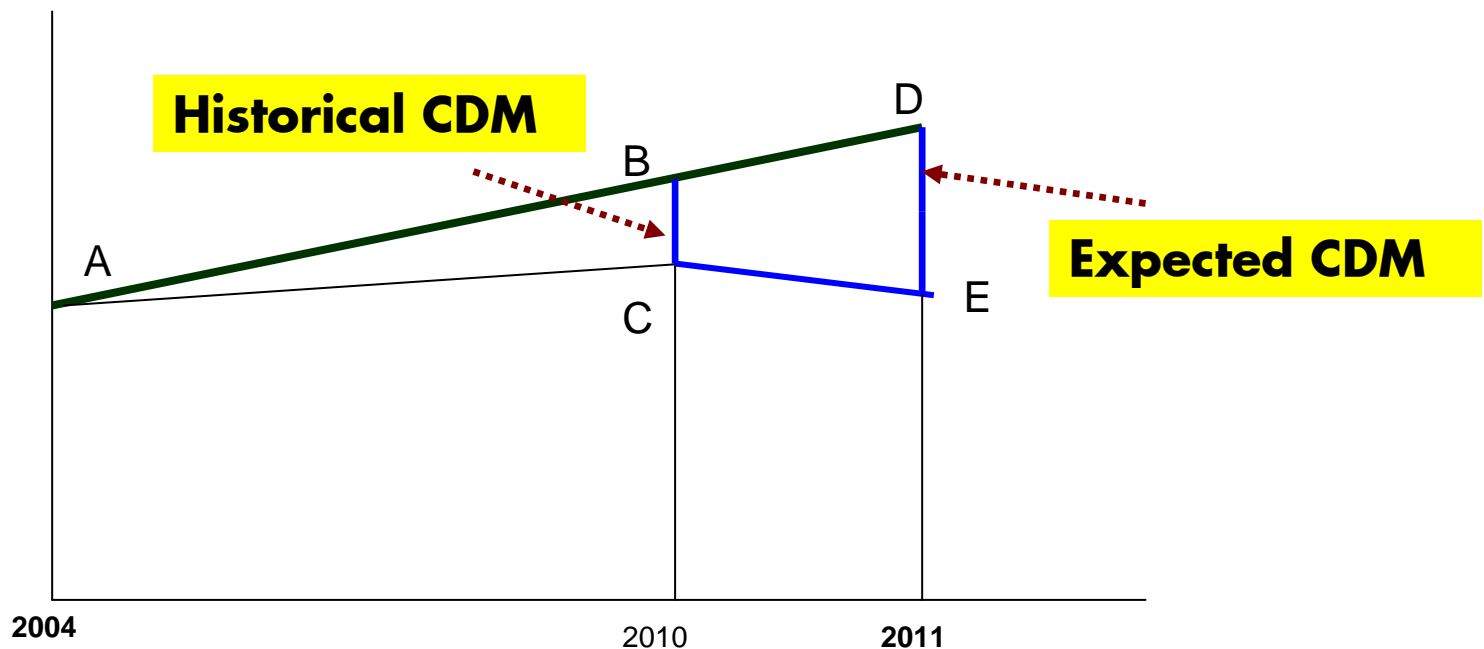
- OEB directive
- Overview of Hydro One's methodology for incorporating CDM impacts in its load forecast
- Draft scope of work

# OEB Directive

- In its Decision with Reasons for EB-2010-0002, the Board is concerned “there does not appear to be a broadly accepted methodology in place to identify reasonably anticipated effects of any CDM program on the throughput of the respective distribution or transmission systems” .... “For the purposes of establishing credible load forecasts, much more acuity than is currently available is needed”
- The Board accepted Hydro One’s CDM estimates used in the load forecast, but directs “Hydro One to work with the OPA in devising a robust, effective and accurate means of measuring the expected impacts of CDM programs”

# Overview of Hydro One's Methodology

- Hydro One incorporated expected CDM impacts in the load forecast in its Transmission and Distribution rate cases



# CDM Impact Definition

**OPA contracted programs**

**Board-approved LDC programs**

**Codes and standards**

**Federal, provincial and other initiatives**

**Customer conservation actions  
(including response to TOU prices)**

**LDC CDM Target  
(program-specific)**

**Other CDM  
impacts to be  
incorporated in  
the load forecast  
(non program-  
specific)**

# Overview of Hydro One's Methodology

- Hydro One is using the “total” CDM impact forecast provided by OPA in its load forecast (program + non program-specific)
- CDM impacts not attributed to programs are difficult to measure, track and to determine the net impact
- Hydro One has used various approaches to determine the CDM impacts on the load forecast, including econometric analysis, customer billing analysis, and customer survey

# Draft Scope of Work

- Are the CDM categories appropriate?
  - CDM programs contracted by the OPA
  - Board-approved programs required by LDCs to meet their CDM target
  - Energy efficiency codes and standards
  - CDM programs initiated by other organizations (federal and provincial governments, gas companies, etc.)
  - Customers' own actions not captured by specific programs, including response to TOU prices

# Draft Scope of Work

- Is the draft scope of work appropriate?

Consultant is expected to:

- Review the methodology currently used by Hydro One
- Work with the OPA
- Devise means to better measure expected CDM impacts
- Prepare a final report for submission to the OEB and to provide proceeding support as required.