

Delivering Conservation & Demand Management – Creating a Culture of Conservation

“Our government recognizes the close relationship local electricity providers have with their customers. Empowering them to create their own conservation programs is a key part of the government’s strategy to create a culture of conservation and to eliminating coal-fired generation from Ontario’s energy supply.”

Hon. Brad Duguid, Minister of Energy & Infrastructure, April 23, 2010

Ontario’s electricity distributors have played a leadership role in the delivery of Conservation and Demand Management (CDM) programming to their customers for close to six years – offering their own custom programs, as well as partnering with the Ontario Power Authority (OPA) to deliver province-wide programs to residents and businesses.

Under the GEA, distributors are responsible for further augmenting these efforts and continuing their important role in the delivery of CDM programs to their electricity customers, providing them with the tools they need to conserve. Importantly, distributors will now have the flexibility to offer:

- Mandatory province-wide programs designed by LDCs in partnership with the OPA;
- LDCs are encouraged to collaborate with other LDCs to develop and deliver programs;
- LDCs now have the flexibility to develop unique local programs.

The Ministerial Directive issued to the Ontario Energy Board (OEB) on March 31, 2010 requires the OEB to establish electricity CDM Targets (relating to consumption and peak demand) that electricity distributors will be required to meet as a condition of license. The Directive establishes two key CDM targets for LDCs to meet over a four-year period, beginning January 2, 2011:

- The shaving of 1,330 megawatts of provincial peak; and
- 6,000 gigawatt hours of reduced electricity consumption (equivalent to taking approximately 156,250 homes off the grid).

In late June, the Ontario Energy Board (OEB) issued two key documents to start the process of implementing the Directive: (1) proposed CDM targets for electricity distributors, and (2) a proposed CDM Code for Electricity Distributors. As set out in the Directive, the Board is responsible for determining the allocation of the total CDM targets to each licensed electricity distributor, having regard to information from the Ontario Power Authority, and developed in consultation with distributors.

Current Issues/Challenges

- Electricity distributors must be given the flexibility to design and deliver innovative programs that cater to the varied/unique needs of their customers and communities.