



EB-2009-0166

IN THE MATTER OF the Ontario Energy Board Act 1998,
S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an application by Union Gas
Limited for an order or orders approving its 2010 Demand
Side Management Plan;

BEFORE: Paul Sommerville
Presiding Member

Cynthia Chaplin
Member

DECISION AND ORDER

Union Gas Limited (“Union”) filed an application with the Ontario Energy Board (the “Board”) dated October 15, 2009, seeking an order granting approval of its 2010 low-income Natural Gas Demand Side Management (“DSM”) plan. The Board assigned File No. EB-2009-0166 to the application.

This application is in response to the request by the Board on September 28, 2009, for Union and Enbridge Gas Distribution Inc. to file one year low-income DSM plans for 2010 based on the existing DSM framework, including budget increases based on the established escalators.

On September 30, 2009, the Board issued its Decision and Order approving Union’s originally filed application for its 2010 DSM plan. That plan did not include the low-income component. The Board decided to hear the current application as a second phase to the proceeding. The Board will only be addressing the one year low-income DSM plan; all other matters related to the 2010 DSM plan have been addressed in the first phase.

On October 26, 2009, the Board issued Procedural Order No. 2 which directed Union to serve a copy of its low-income DSM plan application on all intervenors in the current 2010 DSM plan proceeding, all intervenors in the Generic DSM Proceeding (File No. EB-2006-0021) and all parties in the DSM Guidelines proceeding (File No. EB-2008-0346). In response to Union serving a copy of its 2010 low-income DSM plan on these sets of parties, no new requests for intervenor status were received. Parties who were previously approved to be intervenors in Phase I of the 2010 DSM plan proceeding remained eligible to participate in Phase II. Procedural Order No. 2 also outlined the schedule for parties to file interrogatories and submissions on Union's application.

The interrogatories filed with the Board focused on various elements of Union's 2010 low-income DSM plan seeking information related to the components of the plan, eligibility criteria for participants, budget allocation, partnerships Union developed in 2009, evaluation of low-income programs and Market Transformation programs and specific details relating to participation levels and the number of communities low-income programs will be offered in.

On November 13, 2009, Union provided its response to all interrogatories. In its response, Union confirmed the budgets allocated to each of its low-income DSM programs. Union also confirmed that the total low-income DSM budget is allocated to Union's small volume general service rate classes, which include all residential customers. Union indicated that as its program expands into additional communities subject to available market capacity, it will continue to seek out new partnerships within the low-income service community in 2010. In response to how Union will evaluate its 2010 low-income DSM programs, Union stated that the programs will be evaluated through Union's annual audit process, similar to 2009. With respect to Union's 2010 Market transformation programs it noted that its Market Transformation scorecard reflects metrics to measure the performance of the programs.

On November 20, 2009, all final written submissions from intervenors were filed with the Board. Submissions were received from IGUA, CME, LPMA, Energy Probe and LIEN.

LPMA, Energy Probe and LIEN were in agreement that Union has followed the DSM framework established in the Generic DSM Proceeding and supported the approval of Union's filed low-income DSM plan.

IGUA and CME filed submissions and noted that they have no concerns with Union's application as the costs are allocated entirely to the residential rate class.

LIEN raised two concerns in its submission and suggested the Board included two conditions of approval. First, LIEN requested that the Board require Union to spend the equivalent of 20% of its residential DSM budget on low-income DSM programs. Second, LIEN requested that the Board require Union to expand its Weatherization program into at least one additional community in 2010.

Union responded that its application was made under the existing, Board approved, DSM framework and that it has allocated funds to its low-income DSM programs based on the approved framework.

With respect to the proposed expansion of the Weatherization program, Union noted that the viability of such expansion is dependent on the market capacity of new communities, including local agencies, and on budgeted dollars being available to deliver the program. Union submitted that it would not be appropriate to simply direct it to expand in the absence of appropriate, reliable information on these two determining factors.

Board Findings

The Board finds that Union's proposal for its one year 2010 low-income DSM plan is consistent with the approved DSM framework established in the Generic DSM Proceeding.

The Board will not include the conditions of approval suggested by LIEN. The budget has been set according to the framework requirements and is appropriate at the proposed level. With respect to the Weatherization program, the Board agrees with Union that it would be inappropriate to direct expansion of this program in the absence of assurance that the supporting framework to deliver the program is in place.

Intervenors eligible for an award of costs shall file their cost submissions in accordance with the *Practice Direction on Cost Awards* with the Board Secretary and with Union within 15 days of the date of this Decision and Order. Union may make submissions regarding the cost claims within 30 days of this Decision and Order and the intervenors

may reply within 45 days of this Decision and Order. A decision and order on cost awards and the Board's own costs will be issued in due course.

THE BOARD ORDERS THAT:

Union Gas Limited is granted approval of its updated 2010 DSM plan, inclusive of the proposed low-income DSM programs, filed on October 27, 2009, subject to the findings noted above.

DATED at Toronto December 14, 2009

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary