

From: David Whitehouse [DWhitehouse@peterboroughutilities.ca]
Sent: 2017-09-18 3:31:35 PM
To: Terry Young [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=872fa3f6e61a48709b11458c0c3b6ca6-Terry Young]
Subject: Centralized Home Assistance Program
Attachments: David Whitehouse.vcf

Good Afternoon Terry

We spoke with your team regarding the planned centralization of the HAP program by the IESO. From our previous discussions you are aware that Peterborough Distribution Inc. has always been an advocate of the HAP program, investing fully in delivery and marketing to our customers no matter how little it contributes to our target and regardless of the fact that it pulls down the overall TRC of our portfolio. We decided that it is the right thing to do to assist low income customers who need it most, not to mention it is clearly stated under CFF rules that LDC's are to offer programs for all consumer sectors.

Not just giving low income customers coupons to purchase energy saving equipment, but rather a fully funded and fully supportive program designed for the sector and their needs. Now that the IESO have officially recognized that only a handful of LDC's are running successful HAP programs, the IESO is going to swoop in and save the day by providing an expanded offering that can clearly not be TRC positive with given the increased funding information provided. To increase participation levels, the IESO intends to significantly increase Home Assistance Program funding relative to existing plan allocations. This stings for LDC's that have been running the program since the beginning, and in light of the fact that we had requested through the Residential Working Group, that the funding for HAP come from another source other than LDC portfolio. This was rejected then, but it's a good idea now? Resources from compliant and resourceful LDC's were used toward a program that others have refused to offer in the interim of this decision and direction.

If the IESO was concerned that not all customers had access to the HAP program across the province, the IESO should have been going after and enforcing LDC's who were not offering HAP as they were mandated to do in its full form, which would have proven to be a more cost effective approach. We would have loved to have this increased funding available right from the beginning for audits, measures and administration to run HAP, which surely would have increased the success we have had with our program under current the rules and funding.

As we both know, centralized large scaled delivery of programs is not always better, this has been proven time and time again, and hence it was left to the LDC's to deliver this and other programs. Additionally, we are almost certain that there will be a "Start / Stop" for HAP as many of the delivery agents will surely pull out before December 31st knowing that HAP is a loss leader as it becomes centralized.

Just a thought, as I am sure there are other LDC's who are not pleased with this change, consider the following:

Those LDC's that have been offering a full HAP program can continue to do so under the new funding model and broadened rules. They should be rewarded for putting forth their best effort over the past 2 years

struggling to make the program work without the weight of HAP on cost effectiveness tearing their business plan's TRC to the ground.

In addition to our work in demonstrating the program needs to the IESO with our TRC on the line, we have also invested significant time and funding in collaboration efforts between the gas utility low income Winter Proofing Program to improve the customer experience and to ensure that intake, warm transfers, and program marketing and delivery are streamlined and cost effective. Collaborative efforts and planning are being finalized as we speak for an October launch, with the intended benefit to encompass the remaining CFF term. At a minimum, we hope our connections, experience and collaboration efforts can be shared across the province. Your team stated their hope that our engagement opportunities could continue, but we would require compensation for this investment in order to build on the success for the rest of the province.

I realize that it is unlikely that my note to you will change the direction, but LDC's that have offered HAP, benefited their community, gained savings towards their target, while planning with a forward focus, only to have that removed from their portfolio and efforts lost towards their target seems unfair. We should be getting some of the savings realized towards our targets. IESO wants us to promote the program; we should be getting some credit for it. Better yet, leave it to us with this much enhanced financial model and we will take all the savings. After all, as some smart person stated "Every Kilowatt Counts!" And in this case it is the literal truth.

Regards,

David Whitehouse
Vice-President Customer / Corporate Services and Conservation Officer
Peterborough Utilities Group
email dwhitehouse@peterboroughutilities.ca
(705) 748-9301 ext 1270
cell (705) 931-2285



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