

CAMPUT 2008  
Tuesday April 22 1:30 pm – 3:00 pm

Demand Side Management and Energy Efficiency Panel

Dialogue Process, Lessons Learned on DSM and Future Strategy  
For DSM/EE

- Dialogue process
  - An “experiment” in bringing industry and regulators together informally to discuss an issue of mutual interest.
  - Energy efficiency/conservation seemed to be an appropriate topic as most provinces were developing a serious interest in it.
  - The format of 3<sup>rd</sup> party outside experts leading the panel discussions and acting as the catalyst for sharing of ideas and concepts created a “leaning” environment which resulted in open and interesting debate unhampered by concerns of regulator/industry independence.
  - It was a “progressive” dialogue in that the debate and discussion that occurred in one session often informed the focus of the next session
  
- Lessons learned on DSM
  - EE/DSM is important to utilities. This was evidenced by the level of utility participation in and support for the workshops. They are willing to champion EE/DSM and provide support for it and as we learned throughout the sessions they have the capacity and expertise to successfully deliver programs.
  - EE/DSM is also important to our customers in a world of rising energy prices. They need the services but want them delivered more efficiently. This requires investment on both sides of the meter and raises important concerns over the capacity of low income consumers to make such investments.
  - Is there too much concern about justifying the costs of DSM? Some argued that measuring EE/DSM success receives greater regulatory scrutiny than a supply side initiative of a similar scale. A balance needs to be struck between the time spent on measurement and the time spent on achieving results.

- Future Strategy
  - Two years after the first workshop the issue of Energy Efficiency/DSM is taking on an increasingly important role in the energy landscape. Most jurisdictions now have long term targets for energy demand reduction in place and provinces and territories will invest \$450M in Energy Efficiency measures in 2007-2008.
  - Agility, greater effort and wider collaboration will be needed to deliver the amount of energy efficiency/DSM required to meet these targets and to meet expectations around reducing energy demand, meeting climate change targets and addressing environmental concerns. Customers will look to their utilities to take on a leadership role. The ability of utilities to deliver on these customer expectations will require supportive policies and regulatory frameworks which encourage all cost effective EE/DSM and recognize that utilities require a reasonable return on their investment in EE/DSM programs and initiatives.

#### Questions

1. Should there be an ongoing dialogue between utilities and regulators around issues related to EE/DSM, especially as it increases in urgency and importance across all jurisdictions.
2. EE/DSM is important to utilities – and customers' future expectations of utilities to deliver even more are likely to increase substantially. What 3 things could regulators do and what 3 things could utilities do to improve the regulatory approval process for EE/DSM programs?
3. Who is responsible to ensure that low income Canadians have access to opportunities to reduce their energy use and hence their energy bill.