

CDM and LRAM Changes

Updates to 2020 IRM
Filing Requirements

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Recent Policy Updates

- Directive to IESO to end the Conservation First Framework
 - On March 20, 2019 the Minister of Energy, Northern Development and Mines issued a directive to the IESO that concluded the Conservation First Framework (CFF).
 - With the discontinuance of the CFF, the OEB understands that electricity distributors will no longer receive any preliminary or final annual verified results for conservation program activities undertaken in later years.
- OEB's June 20, 2019 letter
 - Electricity distributors should continue to have access to a lost revenue adjustment mechanism (LRAM) related to the successful delivery of CFF conservation programs
- LRAM Updates to Chapter 3
 - The OEB has made updates to Chapter 3 of the *Filing Requirements for Electricity Distribution Rate Applications* for 2020 rates

Addendum to Section 2.4.6.2

Disposition of LRAMVA

- Distributors should use version 4 of the LRAMVA workform when making LRAMVA requests for remaining amounts related to CFF activity.
- The IESO has made monthly Participation and Cost (P&C) Reports available to electricity distributors from January 1, 2018 to March 31, 2019.
- Distributors can also access the detailed project level data that was submitted to the IESO to form the P&C Reports.
- Between the P&C Reports and detailed project level data, all relevant information should be accessible
- Distributors should include supporting documentation (i.e., P&C Reports and project level data) in excel format
- The OEB will rely on this information as supporting documentation when assessing applications for lost revenues in relation to program savings under the CFF.

Addendum to Section 2.4.6.2

Disposition of LRAMVA

- New guidance that expands on the supporting documentation for lost revenues from street lighting upgrades, including:
 - Information included in load forecast
 - Confirmation that savings are attributable to IESO program
 - Municipality project reports validating upgrades
 - A table, in live excel format, that shows:
 - Monthly breakdown of billed demand over the period of the street light upgrade project
 - Detailed calculations of the change in billed demand due to the street light upgrade project

Addendum to Section 2.4.6.2

Disposition of LRAMVA

- To support the recovery of lost revenues from projects that may not be included in the P&C Reports, such as CHP projects, distributors should provide the following information:
 - The third party evaluation report (typically completed by CLEAResult) that includes savings totals and describes the savings verification methodology
 - Rationale for net-to-gross assumptions used
 - Breakdown of billed demand and detailed lost revenue calculations in live excel format

Thank you