

Meeting Notes

Natural Gas Demand Side Management Evaluation Advisory Committee (EB-2022-0295)

Meeting #11

Meeting Date: February 27, 2024

Time: 1:30 PM - 3:05 PM

Location: Virtual Meeting (MS Teams)

Attendees

EAC Members	Affiliation
Bailey Kaufman	Enbridge Gas Inc. representative
Robert Wirtsafter	Non-utility member (Wirtsafter Associates, Inc.)
Chris Neme	Non-utility member (Energy Futures Group)
Dan Violette	Non-utility member (Apex Analytics)
Katherine Johnson	Non-utility member (Johnson Consulting Group)

Observers	Affiliation
Alice Herrera	Independent Electricity System Operator
Gabriel Weekes	Ministry of Energy
Luke Bond	Independent Electricity System Operator

Additional Attendees	Role/Affiliation
DNV Team	OEB's Evaluation Contractor

OEB Staff	Role
Josh Wasylyk	EAC Chair, Senior Advisor, Application Policy, and Conservation
Alex Di Ilio	EAC Team, Senior Advisor, Application Policy, and Conservation
Hatem Hassan	EAC Team, Analyst, Application Policy, and Conservation

Regrets

EAC Members	Affiliation
Eric Buan	Enbridge Gas Inc. representative

Purpose

These notes summarize the information discussed during the advisory group meeting.

Meeting Agenda

- 1 Welcome, Introductions (5 mins)
- 2 TRM Updates - Discussion (20 mins)
- 3 2022 Annual Verification Report - EAC Comments (15 mins)
- 4 Delphi Panel Proposal Discussion (20 mins)
- 5 New Evaluation Activities in 2024 (25 mins)
- 6 Evaluation Schedule Update (5 mins)

1 Welcome

OEB staff welcomed the group and provided an overview of the topics for discussion.

2 TRM Updates - Discussion

Item Description	Discussion Comments/Outcome	Action Items
DNV provided an overview of the remaining areas of discussion related to the proposed TRM updates for: commercial condensing storage water heaters, commercial tankless water heaters, and commercial condensing unit heaters. DNV and Dunskey sought feedback from the EAC on proposed updates.	DNV informed the EAC that agreement on all changes had been achieved and summarized the specific changes. The group engaged in a brief discussion to confirm its understanding of the updates and was supportive of the proposed approach. DNV and Dunskey confirmed that confirmation is still required regarding the availability of Ontario specific data to support updates for the EFLH for unit heaters prior to finalizing.	DNV to confirm availability of Ontario-specific data for unit heater EFLH updates.

3 2022 Annual Verification Report – EAC Comments

Discussion Comments	Discussion Comments/Outcome	Action Items
DNV provided an overview of final EAC comments on the draft 2022 Annual Verification report.	Final comments from the EAC were narrowly focused and did not represent material concerns. Topics that were discussed included consistency of report language with current OEB decisions and policy framework, confirmation of how the applicable discount rate was calculated, and a review of recommendations and responses. <u>Some members suggested OEB staff consider instructing DNV to modify the discount rate used to calculate net benefits and cost-effectiveness results to better reflect the value of the energy efficiency investments.</u>	Chris Neme was to confirm his clarification question regarding the discount rate calculation. Enbridge to respond accordingly. DNV to make applicable updates to the report in response to EAC comments. <u>OEB staff to consider running sensitivity analysis using a</u>

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		<u>different discount rate to determine updated cost-effectiveness and net benefit results.</u>
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4 Delphi Panel Proposal – Discussion

Discussion Comments	Discussion Outcome	Action Items
Enbridge Gas initiated a discussion on a proposed approach to determine a free ridership rate for hybrid rooftop units, leveraging the expertise of the EAC members and DNV.	Members were supportive of proceeding with a Delphi panel whereby the EAC members would act as panelist and assist in determining the free ridership value for hybrid rooftop units until there were greater number of installations to support a broader, more comprehensive evaluation. The EAC viewed the proposed approach as a valuable tool that can provide great value. Members suggested considering the overall process to ensure the ability for information to be presented by other parties other than Enbridge. <u>Specifically, some members suggested that DNV, as the OEB's Evaluation Contractor, be included in the Delphi panel process and be tasked with conducting a modest amount of research and present its findings to the EAC to inform the panel's considerations.</u>	EAC members to provide comments on the proposed Delphi Panel process. <u>OEB staff to consider input, including having DNV conduct some research and present to the Delphi panel.</u>

5 New Evaluation Activities in 2024 - Discussion

Discussion Comments	Discussion Outcome	Action Items
OEB staff provided an overview of proposed evaluation activities to undertake throughout the duration of 2024.	In response to the 2023-2025 EMV Plan, OEB staff circulated a prioritized evaluation activity list to the EAC prior to the winter holiday break. EAC members provided initial responses which were briefly discussed at the January EAC meeting. OEB staff provided further direction to the EAC on potential evaluation activity in 2024, including: Smart thermostat evaluation, Non-Energy Benefit study and Building Stock Inventory development. The EAC was supportive of a Smart Thermostat evaluation but noted that the scope and methodology would require consideration of several issues, including sample bias and development of control groups. The group suggested OEB staff review and consider recent work in other jurisdictions including MA,	OEB staff to provide update on next steps relative to each evaluation study discussed, including any research received.

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	IL, MI, CT and NJ, <u>to better understand some challenges, including the potential for material cost increases and schedule delays.</u> <u>OEB staff indicated The EAC suggested</u> that if any work on non-energy benefits is conducted, that <u>it first consider</u> secondary research <u>will be considered</u> prior to engaging a vendor for any additional work, <u>primary data collection. The EAC was supportive of this approach.</u> Further, caution was provided regarding overall impact of other NEBs outside of the value of carbon. Finally, the non-Enbridge members of the EAC were overwhelmingly supportive of developing a Building Stock Inventory database, particularly of the residential sector, but also with strong support for the commercial sector. Members suggested reviewing work done in several US states. <u>Enbridge did not offer comments in support or opposition on this item.</u> OEB staff indicated it would follow-up within the next few weeks on next steps regarding all studies.	
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6 Evaluation Schedule Update

DNV provided a general update of the evaluation schedule and reminded members to visit the EAC Sharepoint site where all evaluation documents are available.

List of Action Items

No.	Action Item	Assignment/Owner	Due Date
1	DNV to confirm availability of Ontario-specific data for unit heater EFLH updates.	DNV	March 8, 2024
2	Chris Neme was to confirm his clarification question regarding the discount rate calculation. Enbridge to respond accordingly.	Chris Neme / Enbridge	Best efforts
3	DNV to make applicable updates to the report in response to EAC comments.	DNV	March 8, 2024
<u>4</u>	<u>OEB staff to consider running a sensitivity analysis on cost-effectiveness results and net benefits using an alternative discount rate.</u>	<u>OEB staff</u>	<u>Week of March 11, 2024</u>
<u>54</u>	EAC members to provide comments on the proposed Delphi Panel process.	EAC	March 1, 2024

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No.	Action Item	Assignment/Owner	Due Date
<u>6</u>	<u>OEB staff to consider input on Delphi Panel process, including if DNV should conduct some research and present to EAC members.</u>	<u>OEB staff</u>	<u>Week of March 11, 2024</u>
<u>75</u>	OEB staff to provide update on next steps relative to each evaluation study discussed, including any research received.	OEB Staff	March 15, 2024

Meeting Adjourned: 3:05 pm

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