

Reply-To: mcclenaghan@execulink.com
Sensitivity: Normal
Importance: Normal
To: "Charlene Rogers" <charlene@lao.on.ca>
Subject: Fw: MOU with IndEco
From: "Theresa McClenaghan" <mcclenaghan@execulink.com>
Date: Fri, 25 Nov 2005 22:31:13 +0000 GMT

Charlene please print this for lien Dec 2 meeting. Theresa

-----Original Message-----

From: "Julia McNally (TDC)" <mcnallyj@lao.on.ca>
Date: Fri, 25 Nov 2005 14:43:32
To: "Carol Deacon (ISAC)" <deaconc@lao.on.ca>, "Edward deGale (E-mail)" <edegale@sharethewarmth.org>, "John Fraser (E-mail)" <john@equalityrights.org>, "Keith (E-mail)" <keith@torontoenvironment.org>, "Mary Todorow (ACTO)" <todorom@lao.on.ca>, "Michael Shapcott (E-mail)" <michael@wellesleycentral.com>, "Michelle Mulgrave (E-mail)" <michelle@equalityrights.org>, "Sarah Miller (CELA)" <millers@lao.on.ca>, "Theresa McClenaghan (CELA)" <mcclenat@lao.on.ca>, "Theresa McClenaghan (E-mail)" <mcclenaghan@execulink.com>, "Warmth (E-mail)" <share04@magma.ca>
Subject: MOU with IndEco

HI

Please find attached a draft MOU for LIEN and IndEco to be discussed on Dec 2. This is the product of discussion by the LIEN legal sub-cmte.

<<Memorandum of Understanding IndEco.doc>>

cheers

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Memorandum of Understanding

between

Low-Income Energy Network and IndEco

- The Low-Income Energy Network Steering Committee, on behalf of LIEN (hereinafter referred to as LIEN) retains IndEco and Judy Simon to act as LIEN's consultant in matters before the Ontario Energy Board (hereinafter referred to as the "OEB")
- LIEN seeks IndEco's assistance in intervening before the OEB with the goals of achieving aggressive low-income conservation and energy efficiency programs and rate assistance.
- In seeking intervenor status, LIEN, and IndEco, on LIEN's behalf, shall be governed by the following principles:
 - LIEN seeks to enable low-income consumers to participate in conservation and demand management programs in a manner that protects the environment while mitigating the impact on rates;
 - In recognition of LIEN's limited resources, LIEN intends to intervene strategically before the OEB;
 - LIEN's focus before the OEB will be on low-income conservation and energy efficiency programs and rate assistance;
 - LIEN may address general rate issues, but will not generally intervene in cases solely raising rate issues; and
 - LIEN will endeavour to work co-operatively with the Vulnerable Energy Consumers Coalition.
- LIEN will instruct IndEco and Judy Simon regarding the positions to be taken before the OEB.
 - LIEN delegates this responsibility to its legal sub-committee.
 - The sub-committee shall consist of three members, and they may change from time to time. As of November 2005, the steering committee includes representatives from the Toronto Environmental Alliance, Canadian Environmental Law Association, and the Advocacy Centre for Tenants Ontario.
 - The LIEN co-ordinator, once hired, will be responsible for co-ordinating the sub-committee.

- The approval of at least two committee members is necessary to intervene in a matter.
 - The level and nature of instructions for any given case will be determined on a case by case basis by IndEco and the sub-committee
 - IndEco may seek instructions from the sub-committee by e-mail, teleconference or in-person meeting, as is appropriate given the issues and time constraints.
- Where LIEN has retained counsel, IndEco shall work cooperatively with LIEN's counsel.
 - IndEco will receive remuneration for its work for LIEN by seeking costs and/or intervenor funding from the OEB or utilities, as appropriate. LIEN is not responsible for compensating IndEco for IndEco's work on LIEN's behalf before or related to the OEB, unless otherwise and explicitly agreed.
 - LIEN's legal sub-committee shall sign off on IndEco's claims to the OEB or utilities related to work performed for LIEN. LIEN shall do so in a prompt and reasonable manner. The LIEN sub-committee may delegate this task to the LIEN co-ordinator.
 - This Memorandum of Understanding shall be reviewed on an annual basis.
 - Either party may terminate this Memorandum of Understanding on 30 days written notice.

Signed in Toronto this day of December, 20005

Low-Income Energy Network

Judy Simon
IndEco

Memorandum of Understanding

between

Low-Income Energy Network and IndEco

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Signed in Toronto this day of December, 20005

Low-Income Energy Network

Judy Simon
IndEco



Low-Income Energy Network

C/o Advocacy Centre for Tenants Ontario
5th floor, 425 Adelaide St. W, Toronto, Ont. M5C 3C1
Voice: 416-597-5820 ext 5174, Fax: 416-597-5821

November 29, 2005

Mr. John Zych
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2601
Toronto, ON M4P 1E4

Dear Mr. Zych:

Re: EB-2005-0507 – Low-Income Energy Network's request for intervenor status and its eligibility and intention to seek an award of costs

The Low-Income Energy Network ("LIEN") hereby applies for intervenor status in EB-2005-0507 – 2006 to 2008 DSM Plan Approval Union Gas Limited. As an intervenor, LIEN intends to seek costs from the applicant.

This written letter of intervention has been sent by regular mail to the Board's physical address and as electronic mail in Adobe PDF format to the Board Secretary at email address Boardsec@oeb.gov.on.ca. A copy has also been sent by regular mail to the applicant at the address listed in the Notice of Application and Hearing.

In support of LIEN's request for intervenor status, the following paragraphs set out the nature and composition of the organization, its experience and its participation in proceedings and hearings before the Board and its interests as they relate to electricity demand side management activities. Contributions previously made by LIEN in various Board proceedings and review processes are set out as evidence of the perspective, relevance and value that LIEN can bring to this proceeding and hearing. LIEN requests copies of all written materials in the proceeding and hearing.

1. The Low-Income Energy Network (LIEN) – the organization and its interest in this proceeding

LIEN is an organization of more than 40 member organizations from across Ontario including: energy, public health, legal, tenant/housing, education and social and community organizations.

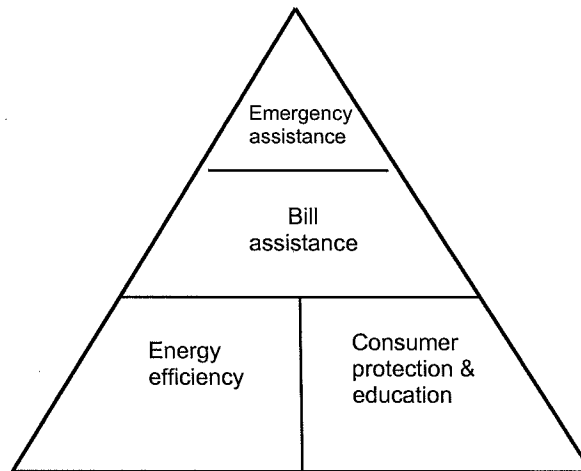
LIEN is managed by its Interim Steering Committee, having as members: the Advocacy Centre for Tenants Ontario ("ACTO"), Canadian Environmental Law Association ("CELA"), Income Security Advocacy Centre ("ISAC"), Share the Warmth ("STW"), Toronto Disaster Relief Committee ("TDRC") and Toronto Environmental Alliance ("TEA").

On behalf LIEN and with the approval of the LIEN Interim Steering Committee, ACTO is submitting this request for intervenor status. With the approval of the LIEN steering Committee, ACTO designates IndEco Strategic Consulting Inc. ("IndEco") as agent for



providing paid consulting assistance and for submitting to the OEB any claim for the award of costs for which LIEN is or will become eligible. For expertise in low-income energy matters as they relate to ratemaking and LIEN's policies, LIEN will rely on IndEco. Judy Simon of IndEco is expected to be the principle consultant to LIEN in matters of this proceeding and is well known to the Board. Sheila Halladay, also well known to the Board, is LIEN's legal counsel. Shona Adamson of IndEco is our case manager.

LIEN's stated mission is "to ensure universal access to adequate energy as a basic necessity, while minimizing the impacts on health and on the local and global environment of meeting the essential energy and conservation needs of all Ontarians". LIEN promotes programs and policies which tackle the problems of energy poverty and homelessness, reduce Ontario's contribution to smog and climate change, and promote a healthy economy through renewable and energy efficient technologies. LIEN supports the need for four types of programs which are all necessary to provide assistance to low-income energy consumers. These are: emergency assistance, bill assistance, energy efficiency and consumer protection and education, as shown in the pyramid below. The ideal model for low-income energy consumers is for the majority of efforts to go to preventative programs at the base of the pyramid rather than energy emergency assistance.



As an intervenor, LIEN would expect to participate professionally in any aspects of the proceeding and hearing where it may advance its interests or where it may assist the Board.

2. Background and LIEN's Participation in Ontario Proceedings and Policy development

LIEN was formed to raise public awareness of implications for low-income families arising from the April 2004 electricity price rise in Ontario and to suggest solutions to aid such consumers. In addition to this initial work, LIEN members have also led a number of projects addressing low-income energy issues. In November 2003, the Canadian



Environmental Law Association was a Listed Stakeholder Organization, and provided a written submission, to the Ontario Energy Board consultation process on demand side management and demand response. CELA's submission indicated that there is a need for low-income DSM programs in Ontario and that there is an opportunity to learn from other jurisdictions having experience with low-income DSM programs.

In April 2004, LIEN members commissioned a report to respond to a request by the Minister of Energy to develop recommendations on actions the government could take to help low-income households immediately cope with the rise in electricity prices. This report provided recommendations for an overall model of low-income energy programs in Ontario and suggested a number of principles that the government of Ontario should follow when developing a low-income conservation and assistance strategy.

In late 2004, LIEN, with the support of the Ministry of Energy and the Toronto Atmospheric Fund, developed a ready-to-implement energy conservation program for local distribution companies that addresses the particular needs of low-income consumers for the 2005 heating season.

With funding from the Trillium Foundation, LIEN held a workshop in April 2005 to raise awareness and increase education on low-income energy issues among energy, public health, legal, tenant/housing, education and social and community organizations across Ontario as well as for government representatives. As part of its Trillium outreach funding, LIEN developed a website for ongoing communication with these groups (www.lowincomeenergy.ca). LIEN is collaborating with Green Communities Canada, other NGO's and the federal government to develop a low-income energy efficiency program for Canada.

The Low-Income Energy Network was an active participant in the OEB's Regulated Price Plan consultation process. The specific issues that LIEN pursued in this process were: price signals to encourage conservation, low-income assistance rate, on-peak and off-peak pricing, equal billing and frequent price true-ups. LIEN was also an active participant in NGEIR, and was a registered intervenor in the Board's proceeding on the regulatory treatment of electricity sub-metering.

LIEN is an active participant in EB-2005-0317, Cost Allocation Review. Recently, LIEN was accepted as an intervenor in Union Gas' 2006 rate case and is a member of the Union Gas DSM consultative. LIEN is also a registered intervenor in the Electricity CDM Activities (EB-2005-0523) proceeding currently before the Board.

3. Issues, LIEN positions and its intended participation in the proceeding and hearing

DSM programs specifically for low-income customers

LIEN strongly supports the inclusion of DSM programs in the Union Gas 2006 to 2008 DSM plan that are specifically designed to accommodate the needs of low-income customers. These programs should target as many low income customers as possible including those in social housing, private rental units (both individually and bulk metered) and private homeowners, with measures that result in significant bill reductions.



LIEN encourages a comprehensive approach to DSM. This involves looking at all energy sources, and we therefore, support Union Gas working with electrical LDC's in their franchise areas to offer a comprehensive package of efficiency and conservation measures to low-income and other customers.

Frequent reviews

LIEN supports frequent review of the Union Gas DSM programs and the portfolio to ensure that the programs, particularly those targeted at low-income consumers, are effective in achieving significant savings, in reaching their target customers and allow for adjustments to programs during program delivery to improve their uptake and/or effectiveness.

Incentive mechanism

LIEN supports developing an incentive mechanism that will be compatible with and ensure aggressive low-income DSM programs.

Hearing preference

LIEN supports whatever process will facilitate a fair, effective and efficient dealing with matters in this proceeding. As the Board is aware, a rates case is a dynamic, iterative process. It involves not only the applicant, but also Board staff and intervenors. Until the applicant's proposal and supporting evidence have been reviewed, interrogatories have been answered, intervenor evidence, if necessary, has been prepared and reviewed, and all participants have had the opportunity to engage in a meaningful alternate dispute resolution (ADR) process, it is premature for LIEN to determine whether the process should include an oral or written hearing.

It is hoped that the ADR process will settle most, if not all issues, resulting in a very limited hearing. After the ADR process is complete, LIEN would be pleased to make a recommendation to the Board on the type of hearing to be held, should the Board find that helpful.

4. Concluding remark on cooperation and efficiency of LIEN's approach and the addresses to which all communications is requested to be sent

As an umbrella organization, LIEN offers the opportunity for one entity to represent the similar interests of many organizations that have come together under LIEN to jointly promote universal, fair access to energy in Ontario while serving the interests of low-income consumers. If granted intervenor status, LIEN will represent, through guidance from its Interim Steering Committee, the collective interests of more than 40 member organizations. As is the Board's expectation, LIEN intends to communicate and where possible co-ordinate its efforts with any others having similar interests. LIEN would welcome other interests which may wish to join with LIEN.

If the Board requires any additional information regarding this application for intervenor status and thereby for cost award eligibility, please contact the undersigned and LIEN will be pleased to accommodate the request.

LIEN requests that copies of all written and electronic materials in respect of this application and proceeding be sent to:



Low-Income Energy Network

IndEco Strategic Consulting Inc.
412 – 77 Mowat Avenue
Toronto, ON M6K 3E3
Attn: Ms. Judy Simon
JSimon@indeco.com

Respectfully submitted,
on behalf of the Low-Income Energy Network,

A handwritten signature in black ink, appearing to read 'Julia McNally', is written over a large, loopy circular flourish.

Julia McNally
Program Director, TDCP
Advocacy Centre for Tenants Ontario
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