

## Ontario Power Authority DR3 Demand Response Program for LDCs

### The Challenge

The Province of Ontario is challenged with an increasing demand for power, the need for further investments in electricity infrastructure, as well as generation and environmental concerns.

### The Ontario Power Authority's Response

The Ontario Power Authority (OPA) has proactively set aggressive goals and developed programs to address the current environmental concerns as well as the near-term need for more power.

- The Ontario Energy Board (OEB) is mandating conservation targets for local distribution companies (LDCs) under the *Green Energy Act*. As a result, LDCs will need to implement conservation and demand management programs, and to report on their results.
- Lost revenue adjustment mechanism (LRAM) credits ensure that LDCs are not negatively impacted by their customers' energy efficiency efforts.
- The Demand Response 3 (DR3) program pays end-users for their ability to shed load to control grid stress levels and/or prices.

### The SPi/CPower DR3 Program for LDCs

DR3 pays LDC customers for their ability to reduce electricity usage at their facilities in response to grid needs. SPi has partnered with CPower, a leading energy management and demand response provider who is contracted by the OPA to enroll and manage DR3 participants.



### The Value to the LDCs

**Meeting Your Green Energy Act Obligations.** LDCs can benefit greatly in this effort by directly offering their customers a local DR3 program that will position you as a leader in meeting customer needs and delivering *Green Energy Act* initiatives. SPi and CPower will work directly with your staff to accomplish this.

**Safeguarding Your LRAM Credit Opportunities.** In many cases, you may not be aware of activity between your customers and demand response aggregators, resulting in missed LRAM credits. By sponsoring a program the you are assured that the reduction in load is accompanied by the documentation necessary to receive LRAM credits.

**Turnkey Solutions at No Risk and No Cost.** The SPi and CPower DR3 program for LDCs is a simple way of implementing an LDC-based program for your customers without the cost and headaches of managing yet another initiative.

**No Cost to You from SPi/CPower.** You will not be charged for the services in developing your local program; all costs are recovered through payments from the OPA DR3 program.



### The Customer Opportunity

By participating in the OPA DR3 program, LDC customers are acting as insurance policies against grid failure. Customers receive two payments from the OPA: one payment for being a stand-by power resource for the grid, and a second payment for responding to OPA curtailment calls. By participating, customers will generate new revenue streams that enhance their bottom line or fund energy efficiency projects.

SPI and CPower provide LDC customers with turnkey, no risk and no out-of-pocket DR3 participation.

***LDC customers can save as much as 20% of their electricity costs through participation in the program.***

SPI/CPower's compensation is a share of the total earnings so our incentives are aligned with your customers' – we only earn when they earn.

**As an LDC, what do I have to do to participate in the SPI/CPower Program?**

**Simply give us a call and we will work directly with your energy management staff to develop your local DR3 program. Once a program is launched CPower will work directly with your customers and provide you with regular reports for the purposes of capturing LRAM credits.**

### About SPI

The SPI Group Inc. (SPI) is a Toronto-based provider of services and solutions primarily to the utility and energy industries. SPI's technology portfolio includes secure, reliable and auditable data transport solutions and a variety of billing and settlement solutions, based on portable, open standards.

### About CPower

CPower is a leading energy management and demand response provider contracted by the OPA to manage client enrollment and participation in the OPA DR3 program. CPower is one of the oldest and most experienced demand response providers in North America with clients spanning all markets – industrial, commercial, retail and institutional.

### About SPI/CPower

SPI and CPower deliver a unique value proposition to clients through their combined strengths and experience in energy management, and demand response delivery throughout Ontario.

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