

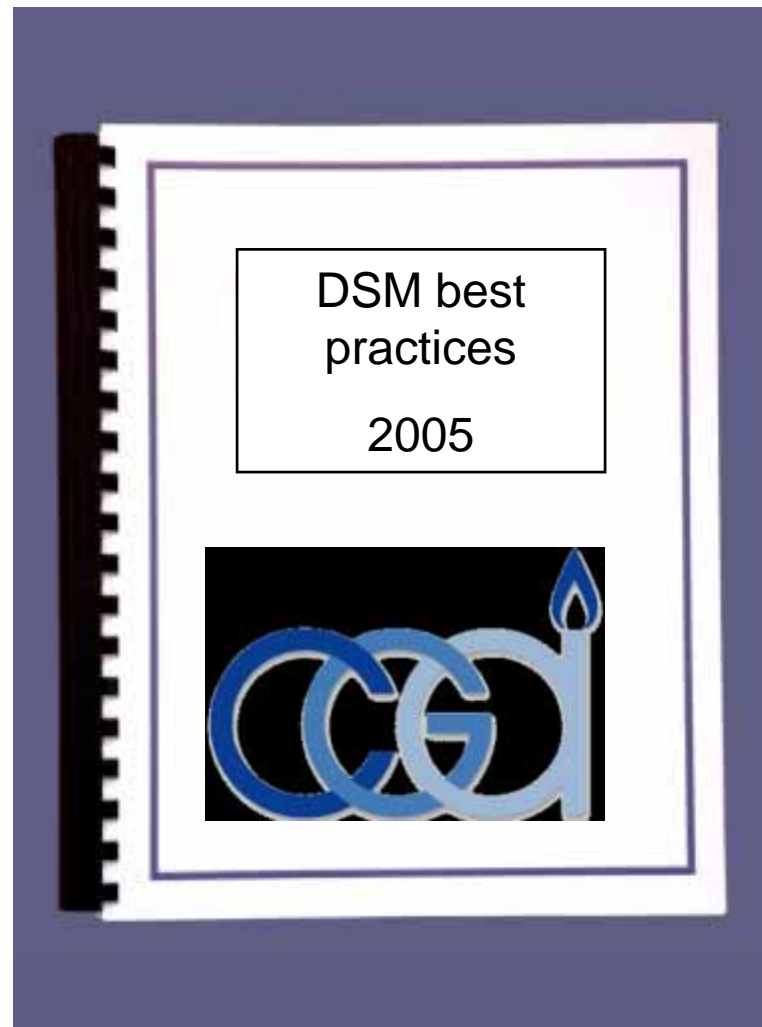


# DSM best practices for natural gas utilities: the Canadian experience

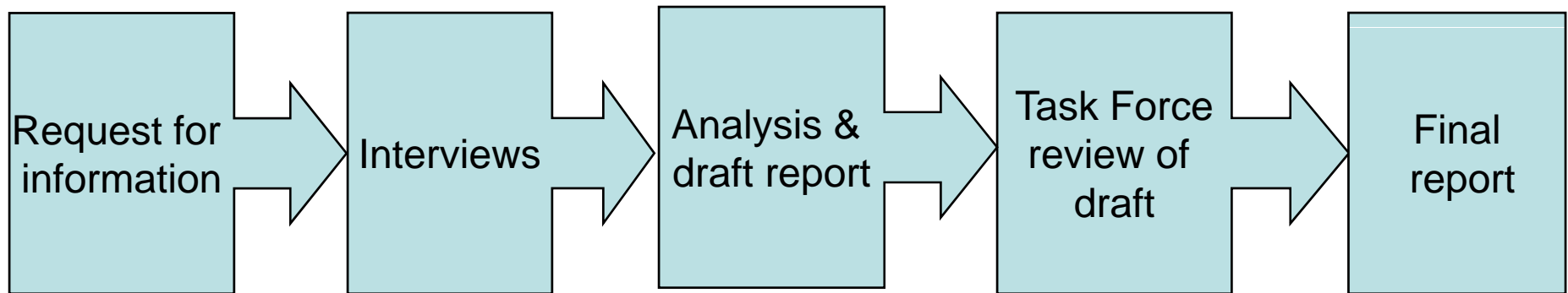
Mike Brophy and Judy Simon

January 27, 2009

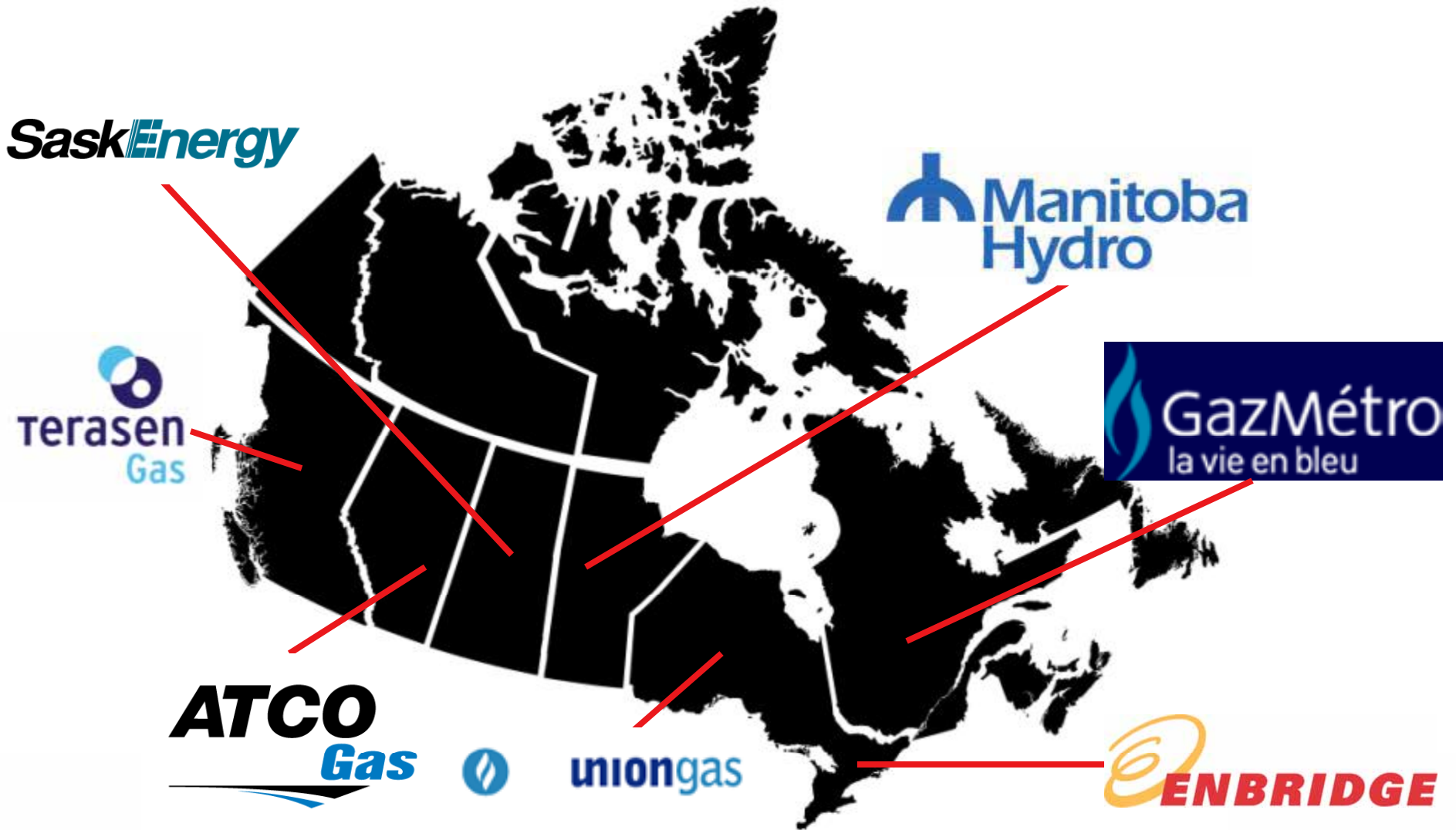
# Background



# Methodology



# Participating LDCs



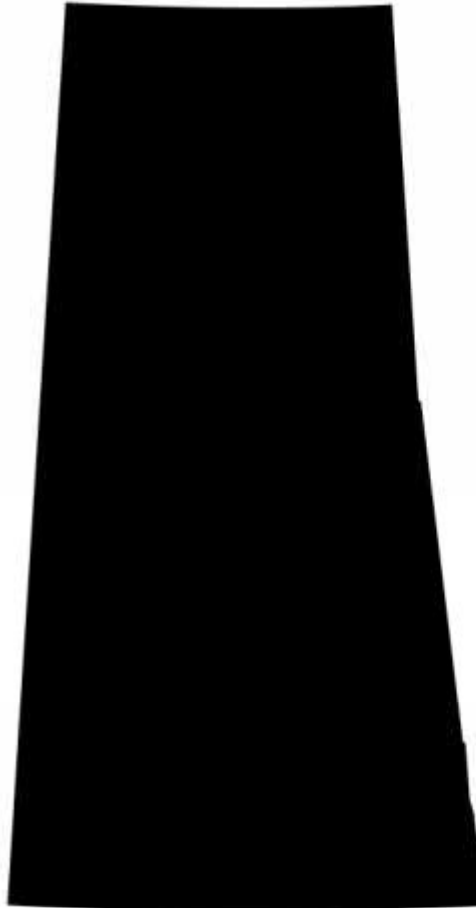
# Terasen Gas



# ATCO Gas



# SaskEnergy



**SaskEnergy**



# Manitoba Hydro





# Enbridge



# Union Gas



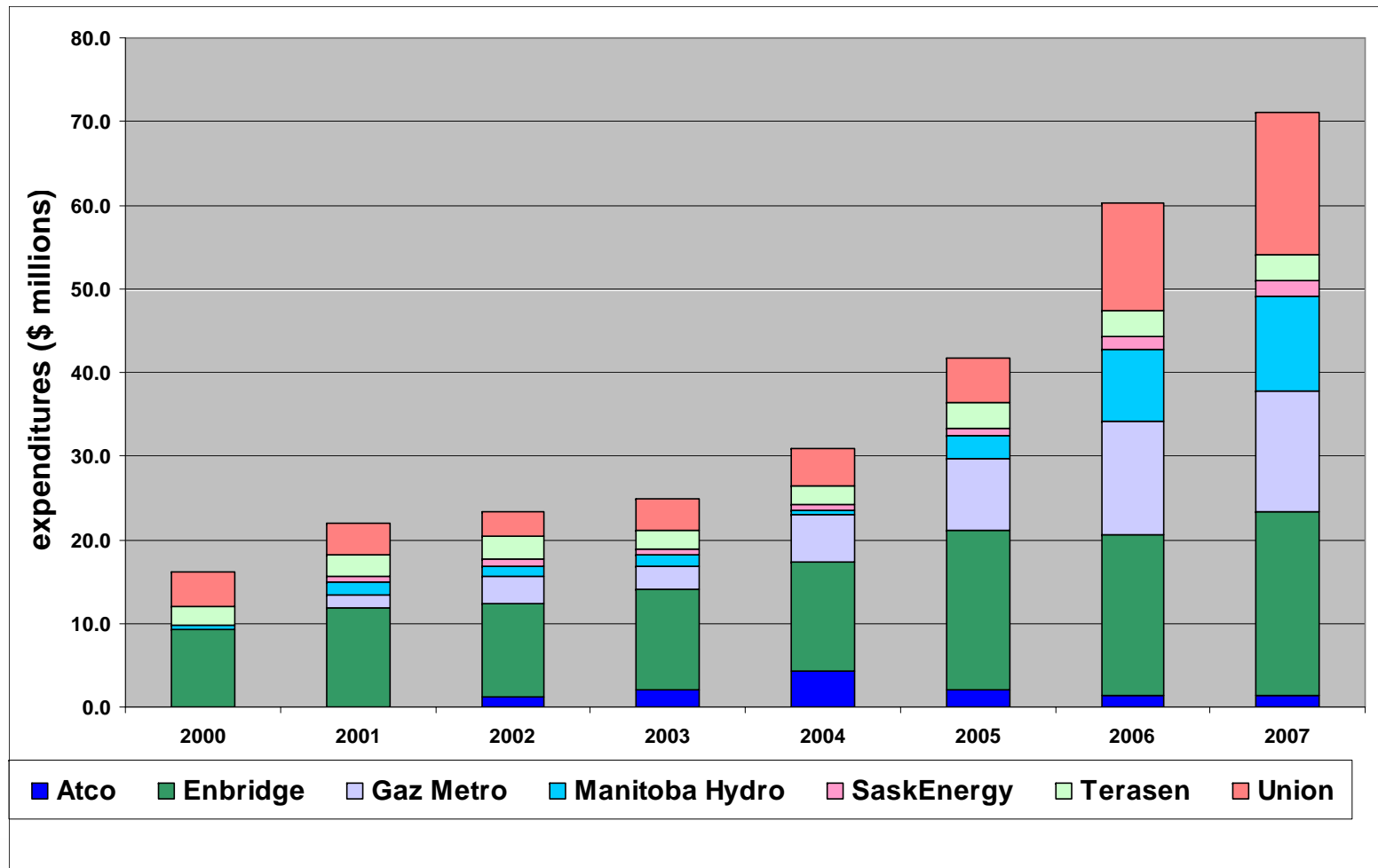
**uniongas**



# Gaz Metro



# DSM expenditures



# 2007 DSM expenditures

LDC	DSM expenditure <sup>1</sup> (\$ millions)	Total utility revenue <sup>1</sup> (\$ millions)	% of total utility revenue	Utility revenue less cost of gas <sup>1</sup> (\$ millions)	% of utility revenue less cost of gas
ATCO	\$ 1.4 <sup>2</sup>	N/A	N/A	N/A	N/A
Enbridge	\$ 22.0	\$ 3,085	0.71%	\$ 972	2.26%
Gaz Métro	\$ 14.4 <sup>3</sup>	\$ 1,600	0.90%	\$ 420	3.42%
Manitoba Hydro	\$ 10.1	\$ 528	1.91%	\$ 142	7.08%
SaskEnergy	\$ 1.8	\$ 962	0.19%	\$ 587	0.31%
Terasen	\$ 3.1	\$ 1,751	0.18%	\$ 622 <sup>4</sup>	0.50%
Union	\$ 17.0	\$ 1,811	0.94%	\$ 655	2.60%

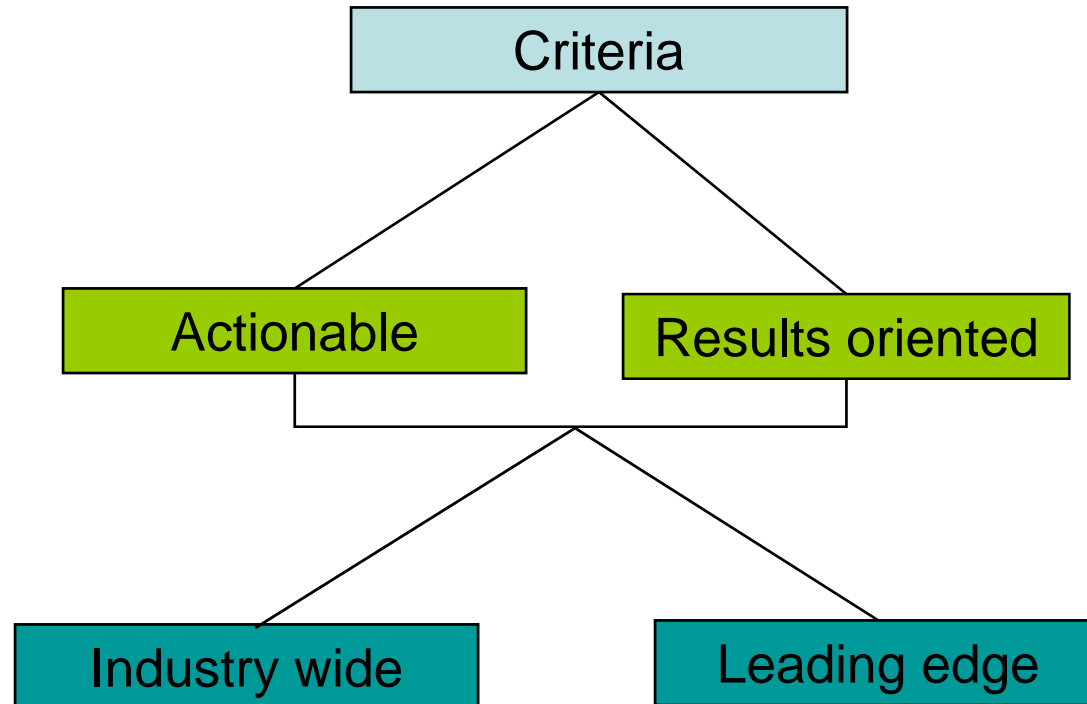
# Best practice

"The term 'Best Practice' refers to the business practice that, when compared to other business practices that are used to address a similar business process, produces superior results.

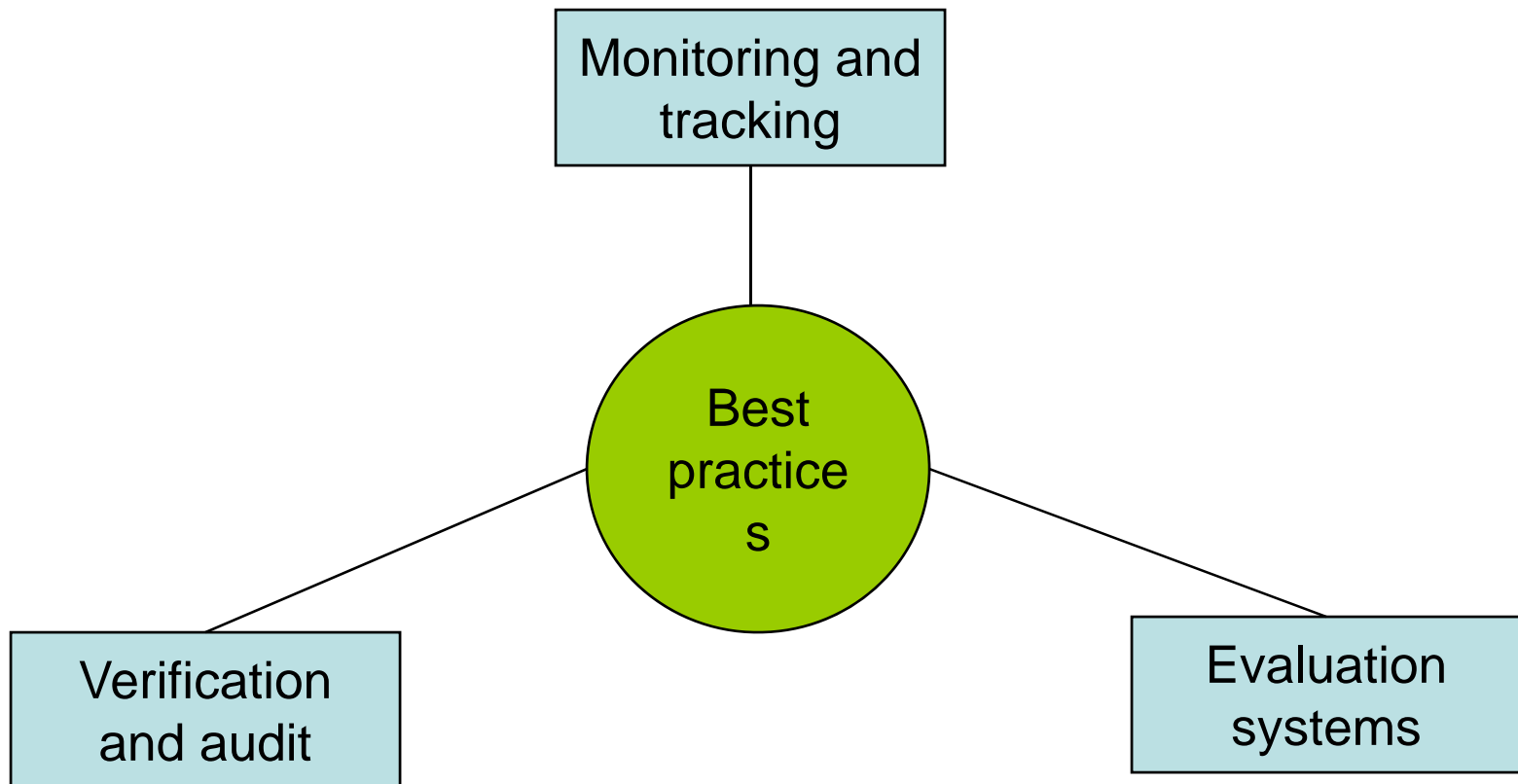
Best practices are documented strategies and tactics employed by successful organizations and programs. Note, however, that rarely is an organization or program "best-in-class" in every area. Our focus is not on identifying best programs or best organizations but, rather, best practices that exist within and across programs."

Source: [www.eebestpractices.com](http://www.eebestpractices.com) U.S. National Energy Efficiency Best Practices Study, December, 2004, Quantum Consulting Inc., for the California Best Practice Project Advisory Committee

# Criteria and types



# Categories





# Measurable goals

Develop measurable goals for  
DSM programs and track results



# Tracking systems

Develop and use customized tracking systems



# Market penetration

Conduct an assessment of the level of market penetration for a program or measure



# Tracking reports

Produce regular tracking reports  
for DSM programs



# Annual report

Produce a separate annual report that outlines the results of DSM programs



# Budget line item

Include a line item for monitoring and evaluation in the DSM budget



# Systematic evaluation

Evaluate in a systematic fashion  
DSM programs and inputs



# Savings adjustments

Make adjustments to savings





# Technology assessment

Conduct a technology assessment of a new technology prior to its inclusion in a program



# Feedback loops

Integrate feedback loops into  
program design and delivery



# Stakeholder consultations

Consult with stakeholders on  
monitoring and evaluation



# On-site verification

Conduct on-site verification of installed DSM measures



# Audit

Conduct an independent audit of  
DSM activities

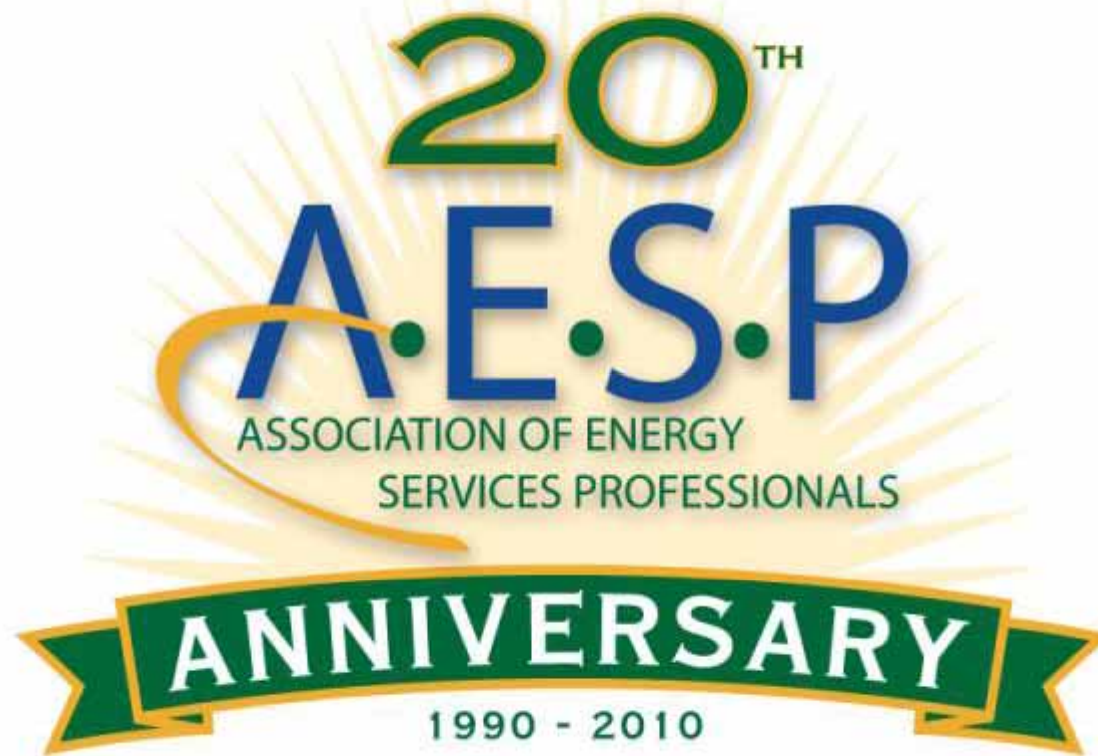


# Conclusions

- Monitoring and evaluation is essential to DSM
- Level of sophistication has increased significantly in last 3 years in Canada
- Bar will likely continue to rise in the future
- Each utility need not adopt all the best practices
- Standardized methodologies and protocols would streamline regulatory approvals







CELEBRATE WITH US NEXT YEAR IN TUCSON!



19<sup>th</sup> National Energy Services Conference & Expo  
[www.aesp.org](http://www.aesp.org)

© 2009 Association of Energy Services Professionals, All rights reserved