

Deputation to Newmarket Town Council  
June 16, 2014

**Subject: Newmarket Hydro's Peaksaver Plus and GOODcoins Programs  
Response to the Deputation of Ms. Karin Hamalainen**

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Firstly, I would like to thank Ms. Hamalainen for expressing her concerns. She raises legitimate questions that others may share and I welcome the opportunity to provide answers to them.

Both the Peaksaver Plus smart thermostat and GOODcoins campaigns are energy conservation programs. Many studies show that energy conservation more than pays for itself in terms of avoided costs to the electricity system. In fact, the Ontario Ministry of Energy estimates that for every \$1 invested in electricity efficiency and conservation, Ontario avoids about \$2 in costs for generating new electricity.

Newmarket Hydro does not fund the Peaksaver Plus smart thermostat. This is a province-wide program funded through the Ontario Power Authority's conservation program. The thermostat is able to make a small adjustment to a home's air conditioner for a few hours on one or two summer days when the demand for electricity is very high. This reduces the need for extra electricity generation. The result is a net savings in the cost of this extra generation. That is, the savings the thermostat produces not only pays for the thermostat, it also reduces the cost of electricity for everyone. No one, including seniors or those on fixed incomes is disadvantaged in any way. They actually benefit from the reduction in the cost of electricity. The more smart thermostats we install, the greater the benefit. In reality, it may be unethical not to offer the Peaksaver Plus program to the residents of Newmarket.

GOODcoins is a social engagement program targeting electricity. Again studies show and the Ontario government has mandated that behavioural change strategies related to electricity conservation are viable and effective. Increasing consumer awareness and encouraging different behaviour is one of the most effective ways to get consumers to reduce energy use through, for example, social benchmarking. The GOODcoins program is intended to engage residents in understanding their energy use and managing it. I appreciate that we are all trying to keep our electricity bill down by using less. But are we really doing a good job of it? I, for one, am not sure as I have only a monthly bill to look at. By having a worthy cause to work with and the ability to monitor the electricity I am using at any time, I know I will learn much, much more about conservation in my home. Similar to the Peaksaver Plus program, this will not only help me conserve electricity, it will also contribute to reducing the need for and cost of electricity generation to everyone's benefit.

We have had a tiered usage pricing system in place for over five years. Newmarket Hydro was actually the first utility in Ontario to move to time-of-use pricing. Through the GOODcoins program, we want residents to better understand it and take advantage of it whenever possible.

The Southlake funding is in the form of a corporate donation. This is in no way a tax levy, and it is incorrect to suggest that it is. The donation is a one-time payment based on the success of the pilot. It is not primarily about giving money to Southlake. It is about getting consumers interested enough to consider a commitment to behavioural change when it comes to electricity conservation.

The Peaksaver Plus and GOODcoin programs will not increase electricity bills at all and no customers will be adversely affected. They only stand to benefit from these programs.

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