



PUB HEARING DIRECT EVIDENCE
2020/23 EFFICIENCY PLAN SUBMISSION
January 6, 2020

OVERVIEW



- I. Regulatory Framework and PUB Review
- II. A New Organization and a New Approach
- III. Efficiency Manitoba's Mandate: What the Plan will Accomplish
- IV. Implementing the Efficiency Plan

I. REGULATORY FRAMEWORK & PUB REVIEW

EFFICIENCY MANITOBA, THE ACT, & PUB REVIEW

Review and Guidance from the PUB:

- Efficiency Manitoba is embracing the PUB Review process under the Efficiency Manitoba Act
- A better Efficiency Plan through: Transparency, Openness & PUB Review
- Process through which Intervenors representing customers of the Plan can review Plan details and provide feedback

II. A NEW ORGANIZATION AND A NEW APPROACH

DELIVERING ENERGY EFFICIENCY FOR MANITOBANS

MISSION

- Efficiency Manitoba reduces energy consumption using innovative approaches that respect the environment and lead to economic benefits for Manitobans

VISION

- We serve as a catalyst for an energy efficient Manitoba. We are valued by Manitobans for our leadership in energy efficiency and for the partnerships we create

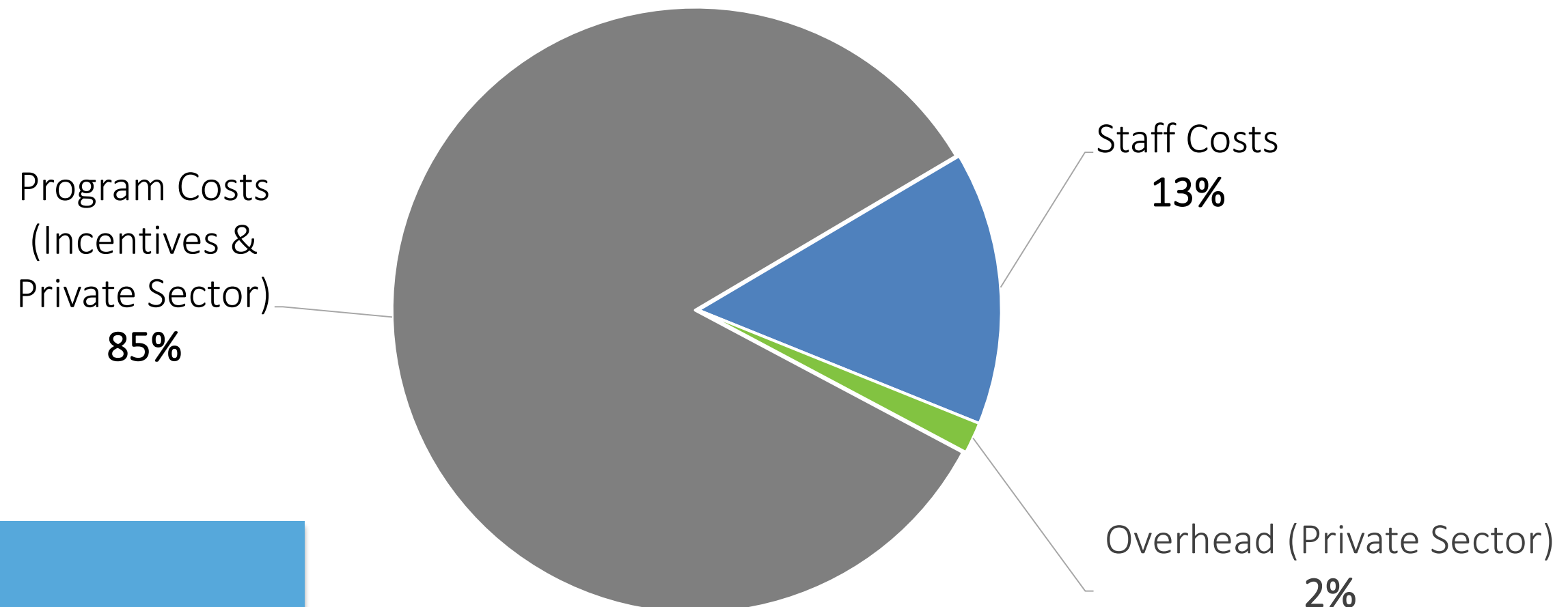
STRATEGIC GOALS

- Achieving excellence in our programs and services.
- Creating a solid foundation to build a successful organization.
- Building and sustaining meaningful partnerships with a customer focus.
- Transforming attitudes towards energy efficiency.

A NEW APPROACH: PARTNERING WITH PRIVATE SECTOR

Annual Average Overall Portfolio Budget Summary

Annual Average Budget \$69,882,000



87%

of budget to Manitobans
and private sector

A NEW APPROACH: CUSTOMER ENGAGEMENT



ADVISORY
GROUP



CUSTOMER
FEEDBACK



CONTRACTORS

- Diverse representation of customer base with unique perspectives represented in Plan
- Continued formal role for evaluating and continuous improvement
- Creating an “efficiency” conversation
- Immediate participant feedback
- Public Accountability
- Measure, technology and process specific feedback

A NEW APPROACH: CUSTOMER ENGAGEMENT



Bundling offers approach

- Simplified marketing and communications
- cross-promotion of multiple offers
- streamlined and efficient internal processes

Leveraging technology

- Easy to apply
- Data driven
- Two-way communication

Engage customers on media they are familiar with

A NEW APPROACH: INNOVATIVE

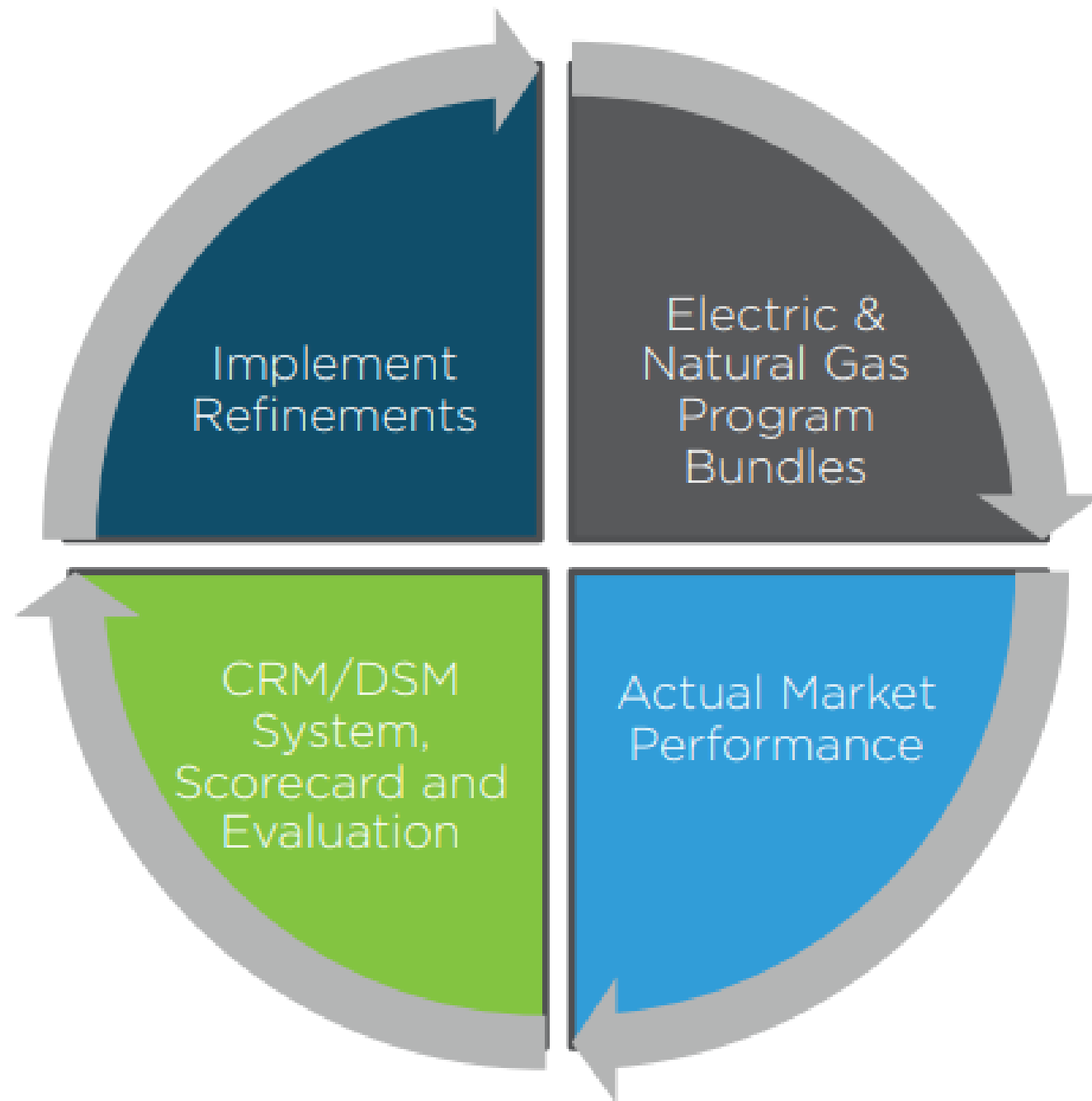


Leveraging research and innovation to implement programs and services to the right market at the right time

Budget for Innovation Fund

- Market Potential Study
- Pilot Projects
- Research and Development

A NEW APPROACH: CONTINUOUS IMPROVEMENT



- Benchmarking to identify improvement areas
- External Evaluation
- Nimble and flexible
- Contingency Funding for emerging DSM opportunities

III. EFFICIENCY MANITOBA'S MANDATE: WHAT THE PLAN WILL ACCOMPLISH

EFFICIENCY MANITOBA'S MANDATE



1.5%

Reduce Manitoba's electricity consumption by 1.5%



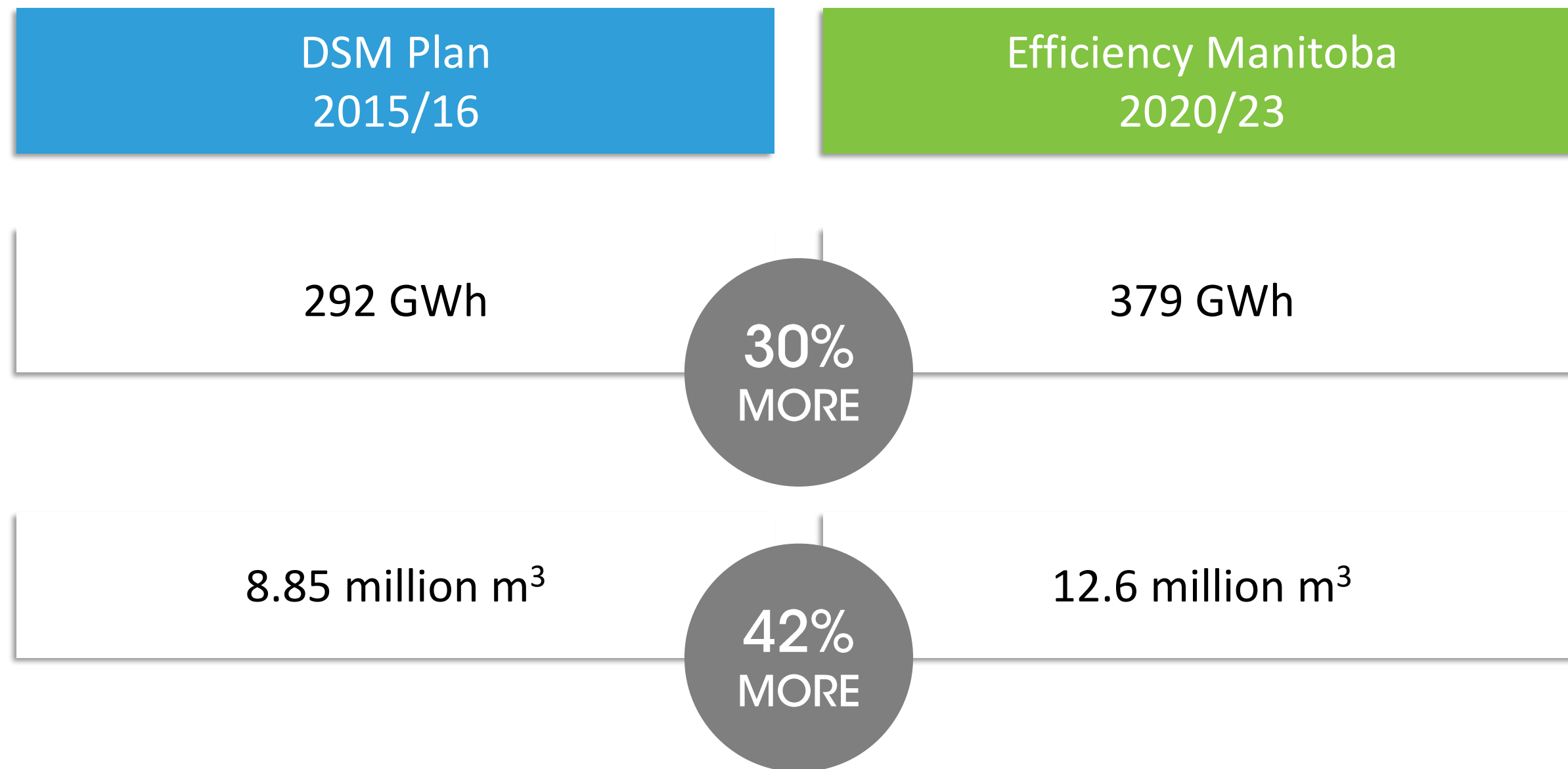
0.75%

Reduce Manitoba's natural gas consumption by 0.75%

Build a three-year Plan that:

- ✓ Achieves aggressive savings targets
- ✓ Meets cost-effectiveness requirements
- ✓ Creates programs for as many Manitobans as possible to participate
- ✓ Does it all at lower budget cost than previous DSM Plans

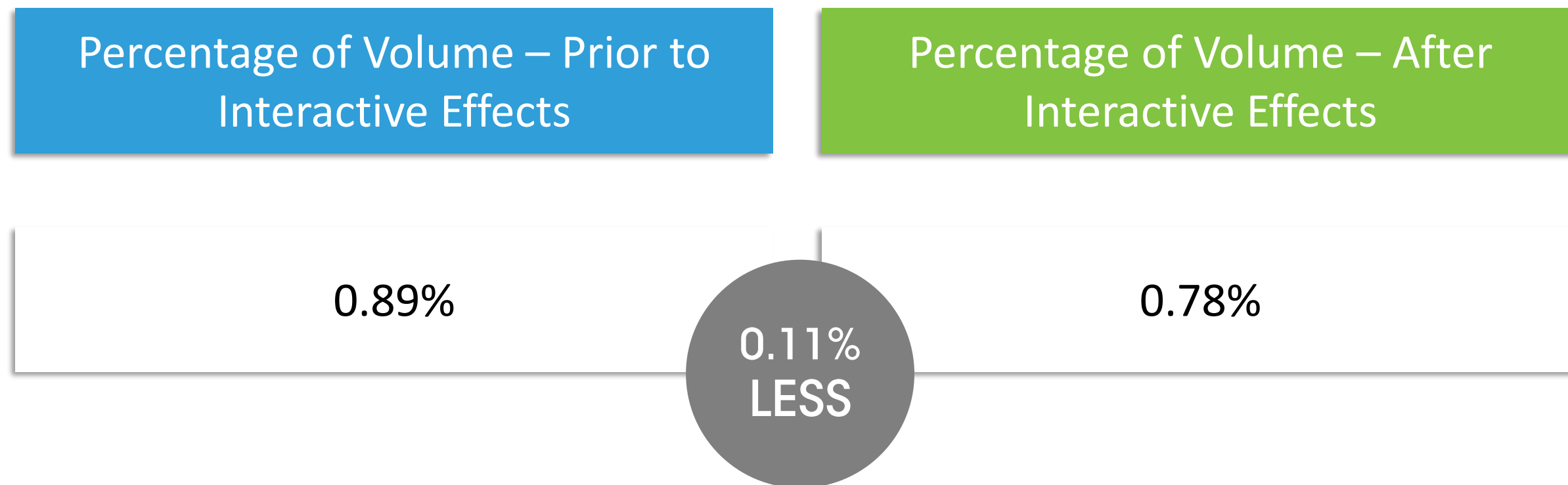
THE PLAN ACHIEVES AGGRESSIVE SAVINGS TARGETS



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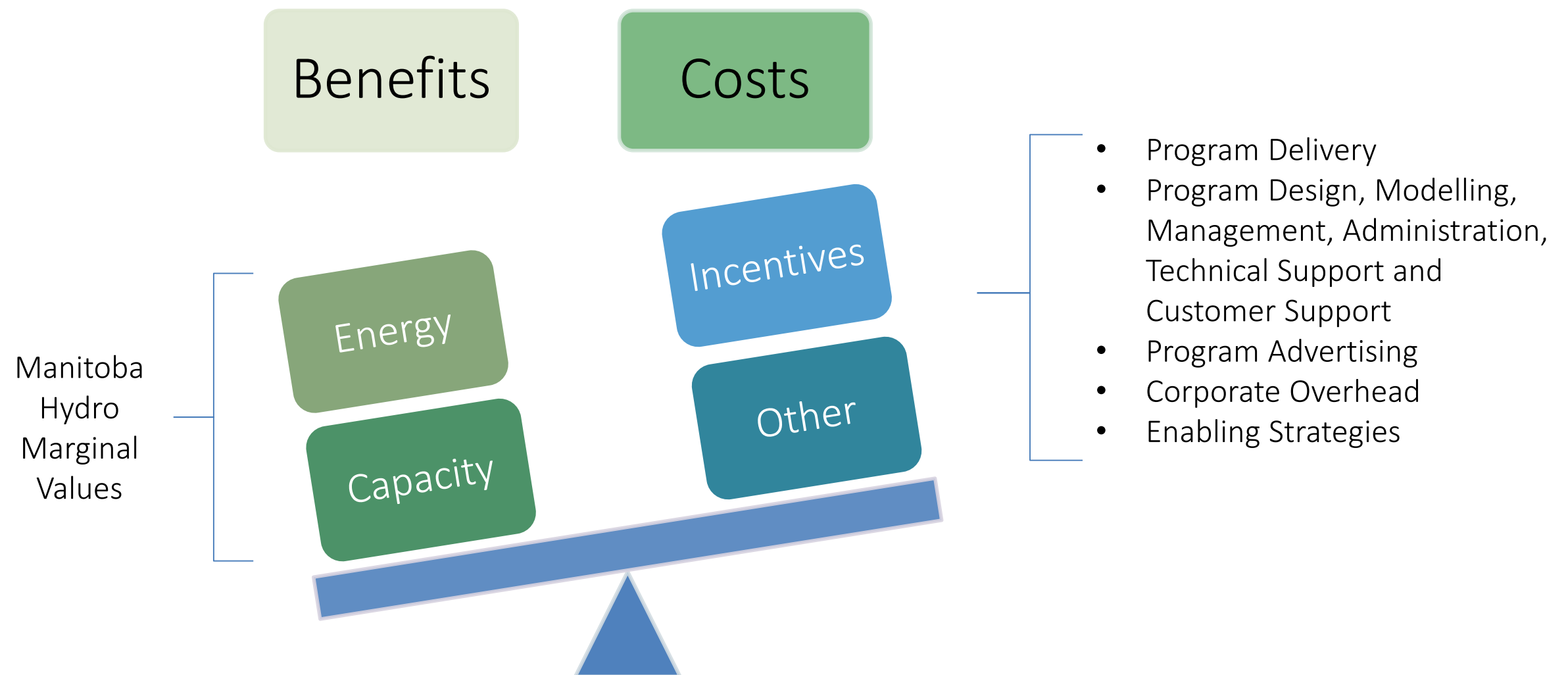
Annual Natural Gas Savings

Achieve targets with and without interactive effects.



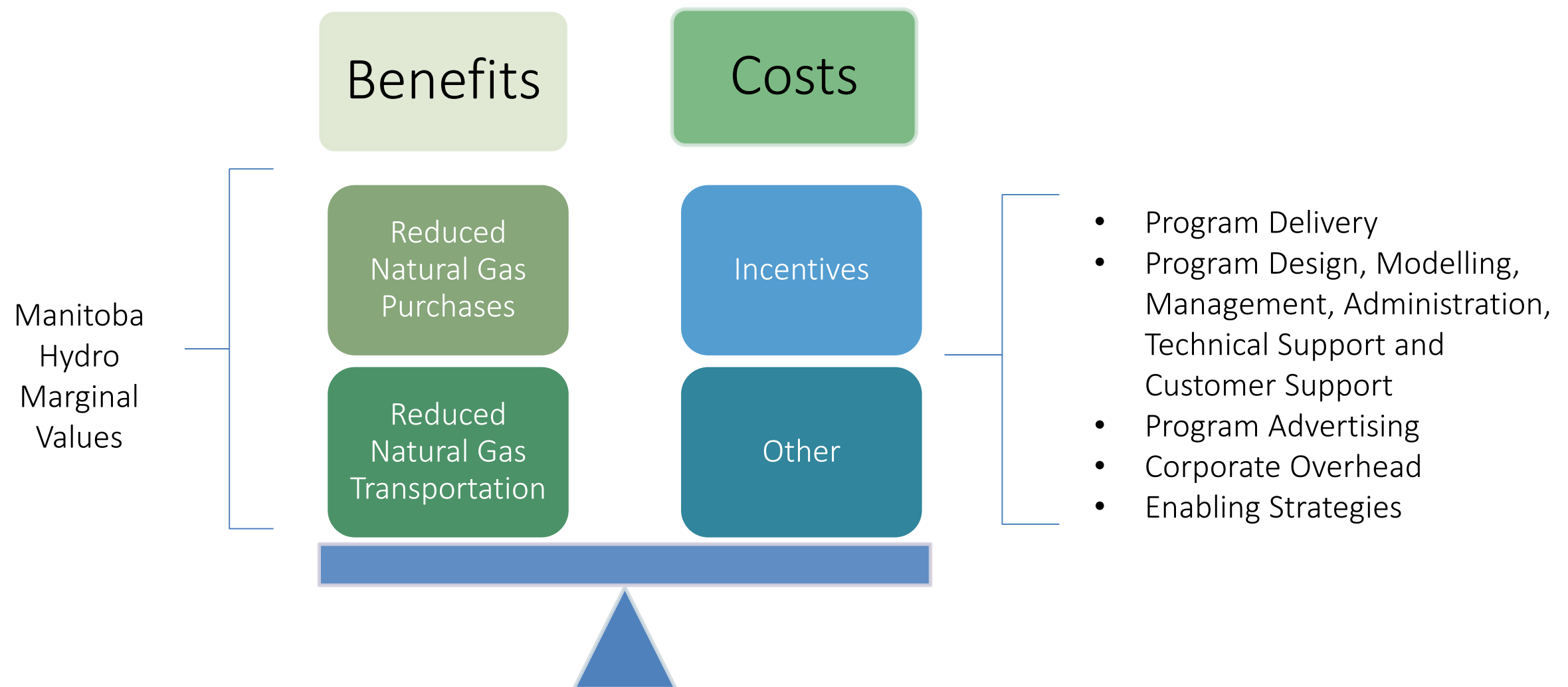
THE PLAN IS COST-EFFECTIVE

Electric Program Administration Costs Test (PACT)



THE PLAN IS COST-EFFECTIVE

Natural Gas Program Administration Cost Test (PACT)



THE PLAN IS COST-EFFECTIVE

Electric Portfolio



PACT ratio

3.27

PACT LEVELIZED COST

2.24¢/m³

Natural Gas Portfolio



PACT ratio

0.99

PACT LEVELIZED COST

18.7¢/m³






THE PLAN IS INCLUSIVE OF ALL MANITOBANS



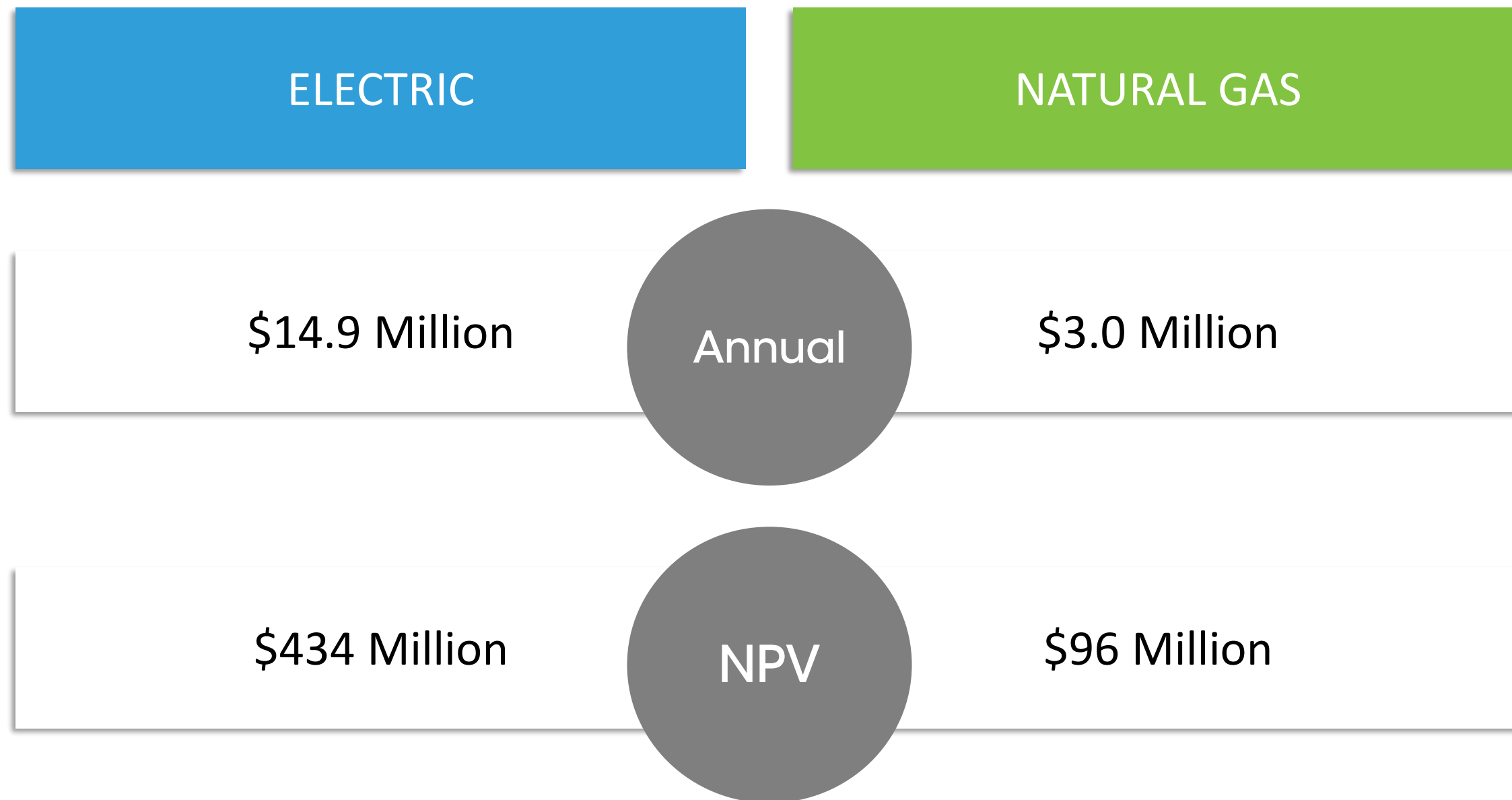
Customer Segments

- Residential
- Residential Income Qualified
- Indigenous
- Commercial
- Industrial
- Agricultural

DELIVERED FOR LESS COST THAN PREVIOUS PLANS

DSM Plan 2015/16		Efficiency Manitoba Annual Average 2020/23 Efficiency Plan
\$49,329,000	INCENTIVE COSTS	\$45,247,000 8% 
\$9,927,000	PROGRAM COSTS	\$13,765,000 39% 
\$14,949,000	STAFF COSTS	\$9,375,000 37% 
\$2,190,000	OVERHEAD COSTS	\$1,495,000 32% 
\$76,396,000	TOTAL COSTS	\$69,881,000 9% 

THE BOTTOM LINE: CUSTOMER BILL SAVINGS



IV. IMPLEMENTING THE EFFICIENCY PLAN

MOVING TO ACTION: OPERATIONAL READINESS



MOVING TO ACTION: PLAN IMPLEMENTATION

- Manitoba Hydro continued support – not a cold transfer of responsibilities
- Planned transfer of existing contracts for third-party implementers
- Leverage years of DSM training and development in people who know the technologies, and the Manitoba market
- Time is of the essence and we are ready to deliver



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