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Meeting Date:	May 28, 2020
File No.:	



To: Chair and Members
Lambton Area Water Supply System Joint Board of Management

From: Clinton Harper
General Manager

Subject: Class A Energy Customer Election Deadline (June 15, 2020)

Recommendation

It is recommended that the LAWSS Board elect into the Industrial Conservation Initiative program as a Class A electrical customer for the billing period for July 1, 2020 to June 30, 2021.

Background:

The Industrial Conservation Initiative ("ICI") was modified January 1, 2017 to allow customers, like LAWSS, with average monthly electrical demand of 1 MW or greater to participate. Customers of LAWSS' demand size need to "elect" in to become a class A pricing customer during the annual election period. If election is not signed during that time, LAWSS will return to Class B pricing for the next pricing period.

Comments:

Pricing is based on demand during the 5 provincial demand peaks during the measurement period. Electing into Class A is ideal for LAWSS because the facility's relative flexibility of operation allows for the largest savings. The deadline for eligible customers is June 15, 2020.

Consultation:

This report was prepared in consultation with Bluewater Power and OCWA Operational Staff.

Financial Implications:

The amount that is saved is highly variable and largely dependant of the Operator's ability to identify and react to provincial energy demand. The amount of savings realized since the initial LAWSS opt-in is presented in Table #1.

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Table #1			
Year	Period	Annual Net Savings (Class A versus Class B)	Cumulative Net Savings
1	July 1, 2017 – June 30, 2018	\$268,655.61	
2	July 1, 2018 – June 30, 2019	\$345,272.55	\$613,928.16
3	July 1, 2019 – April 30, 2020 May 1, 2020 – June 30, 2020	\$460,363.44 N/A	\$1,074,291.60
4	July 1, 2020 – June 30, 2021	Current Election Period	

This report was prepared by Clinton Harper, LAWSS General Manager

Attachment(s):