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BY EMAIL AND WEB POSTING

May 21, 2019

To: All Rate-regulated Natural Gas Distributors
All Participants in EB-2015-0029/0049 and EB-2017-0127/0128
All Other Interested Parties

Re: Post-2020 Natural Gas Demand Side Management Framework
Board File Number: EB-2019-0003

This letter initiates a consultation process that the Ontario Energy Board (OEB) is undertaking to develop a Demand Side Management (DSM) framework for natural gas distributors beginning in 2021.

Background

Further to a March 26, 2014 Directive, the OEB developed a framework for the DSM activities of natural gas distributors for the period January 1, 2015 to December 31, 2020, as articulated in the *Report of the Board: Demand Side Management Framework for Natural Gas Distributors (2015-2020)* (the 2015-2010 DSM Framework). On January 20, 2016, the OEB issued its Decision and Order on the 2015-2020 DSM plans filed by each of Enbridge Gas Distribution Inc. and Union Gas Limited. Subsequent to the merger of these two utilities, the consolidated entity – Enbridge Gas Inc. – will continue to deliver natural gas energy efficiency and conservation programs to customers throughout Ontario until the end of 2020.

More recently, the OEB issued its DSM Mid-Term Review Report and is conducting an Achievable Potential Study in conjunction with the Independent Electricity System Operator that is expected to be completed by September 1, 2019.

The 2015-2020 DSM Framework will expire on December 31, 2020. The Government of Ontario has confirmed, in its November 2018 Environmental Plan, a commitment to cost-effective conservation of natural gas. It is therefore opportune to initiate a consultation to consider the next generation DSM framework, with a view to ensuring

that the OEB's approach remains current, responsive to energy efficiency and conservation market developments and consistent with broader government policy.

The OEB's Approach

The OEB will undertake the post-2020 DSM framework consultation in stages. In Phase 1, the OEB will seek input and comments from interested stakeholders on underlying guiding principles, on the goals and objectives to be achieved and on the scope of the review. This will include a half-day Stakeholder Meeting on **Thursday, June 13, 2019**. The Stakeholder Meeting will take place at the OEB's offices at 2300 Yonge Street, Toronto in the West Hearing Room on the 25th Floor. The Stakeholder Meeting will also be available remotely for registered participants. Details on how to participate remotely will be provided separately. Written comments from interested parties on the three specific issues outlined below are due by **Thursday, June 27, 2019**.

The OEB invites interested parties to provide input on three specific issues as part of Phase 1:

1. **Principles:** Do the guiding principles from the 2015-2020 DSM Framework remain appropriate? If not, what principles are needed and why?
2. **Goals and objectives:** What should be the primary goal(s) and objective(s) of the post-2020 DSM Framework?
3. **Scope:** Should the OEB undertake major revisions to the 2015-2020 DSM Framework or focus on specific updates that are more minor in nature?

The OEB will finalize the scope of the consultation and provide more details related to subsequent phases of the consultation after receiving input from stakeholders in Phase 1.

Invitation to Participate

The OEB encourages all interested parties to participate in this consultation process. Those interested in participating should indicate their intent by filing a letter with the OEB by **Friday, May 31, 2019** in accordance with the filing instructions set out below. The letter should include a statement indicating whether the participant requests cost eligibility and whether the participant intends to participate in the Stakeholder Meeting and if they will participate in person or remotely. All requests for cost eligibility should comply with the requirements referred to under "Cost Awards" below.

Cost Awards

Cost awards will be available to eligible persons under section 30 of the *Ontario Energy Board Act, 1998* for participation in cost eligible activities as set out in Appendix A. Appendix A also contains information regarding cost eligibility requests and objections. Costs awarded will be recovered from rate-regulated natural gas distributors based on their respective customer numbers.

Filings to the OEB in relation to participation and/or requests for cost eligibility must be made in accordance with the filing instructions set out below. In order to facilitate a timely decision on cost eligibility, the deadlines for filing cost eligibility requests and objections will be strictly enforced.

Filing Instructions

All filings to the OEB must quote the file number, EB-2019-0003, be made in searchable / unrestricted PDF format and filed electronically through the OEB's web portal at www.pes.ontarioenergyboard.ca/eservice. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.oeb.ca/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

Questions about this consultation process should be directed to Josh Wasylyk at josh.wasylyk@oeb.ca or at 416-440-7723. The OEB's toll-free number is 1-888-632-6273.

ADDRESS

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

E-mail: boardsec@oeb.ca

DATED at Toronto, **May 21, 2019**

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix A: Cost Awards

Appendix A
Post-2020 Demand Side Management Framework
May 21, 2019
EB-2019-0003

COST AWARDS

Cost Award Eligibility

The OEB will determine eligibility for costs in accordance with its *Practice Direction on Cost Awards*. Any person intending to request an award of costs must file with the OEB a written submission to that effect by **Friday, May 31, 2019**. The submission must identify the following:

- The nature of the person's interest in this initiative(s)
- The grounds on which the person believes that they are eligible for an award of costs (addressing the OEB's cost eligibility criteria as set out in section 3 of the OEB's *Practice Direction on Cost Awards*)
- An explanation of any other funding to which the person has access
- The name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known
- Whether specific costs for any separate expert submissions are requested, the scope of the retainer, and whether the person intends to combine with other stakeholders for this purpose

All requests for cost eligibility will be posted on the OEB's website.

If a natural gas distributor has any objections to any of the requests for cost eligibility, such objections must be filed with the OEB by **Friday, June 7, 2019**. Any objections will be posted on the OEB's website. The OEB will then make a final determination on the cost eligibility of the requesting participants.

Eligible Activities

Cost awards will be available in relation to participation at the Phase 1 Stakeholder Meeting and for the submission of comments on the issues identified in Phase 1, up to the maximum number of hours set out in the table below. Cost awards may be available for activities in later phases of this consultation. Further details will be provided at the relevant time.

ACTIVITY	TOTAL ELIGIBLE HOURS PER PARTICIPANT
Preparation for the Phase 1 Stakeholder Meeting	Up to 2 hours
Attendance at the Phase 1 Stakeholder Meeting	Actual attendance time
Written comments on the three specific issues identified for Phase 1	Up to 4 hours

Cost Awards

The OEB will apply the principles set out in section 5 of its *Practice Direction on Cost Awards* when awarding costs. The maximum hourly rates set out in the OEB’s Cost Awards Tariff will be applied. The OEB expects that groups representing the same interests or class of persons will make every effort to communicate and coordinate their participation in this process.

The OEB will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the OEB will act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the OEB’s [Practice Direction on Cost Awards](#).