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November 19, 2009

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

Re: EB-2009-0154 2010 Natural Gas Demand Side Management Plan – Low Income Program

We are writing on behalf of the City of Toronto in support of Enbridge Gas Distribution's 2010 Low Income Demand Side Management Plan (EB-2009-0154). In particular, we believe that the proposed low-income Solar Thermal Water Heating Program - which aims to install 200 solar thermal water heaters in social housing units - is complementary to, and supportive of, the City's efforts in the area of renewable energy.

Further to direction from Council, City staff are currently working closely with Enbridge on various aspects of its 2010 Low Income Program. The City plans to provide additional financial incentives for weatherization measures to low income homeowners in order to maximize conservation opportunities, as well as to offer marketing channels for the Low Income Program through existing City programs for this market sector.

The Solar Thermal Water Heating Program is in keeping with Toronto's long history of support for renewable energy, both on its own facilities and in the wider community. Projects and policy initiatives in this area include:

- The Toronto Solar Neighbourhoods Initiative – a pilot program sponsored by the City and the Toronto Atmospheric Fund in the Riverdale community that will see the installation of approximately 100 solar domestic hot water systems by 2010. Enbridge is cooperatively marketing this program with the City and TAF to residents in the Riverdale community through Enbridge bill inserts and other community-based promotional activities.
- Solar Pools – eight City-owned swimming pools have been equipped with solar hot-water heating systems.
- Renewable Energy Bylaw – Council has amended the Zoning Bylaw to allow renewable energy generation “as of right” in neighbourhoods across the city.

- The Climate Change, Clean Air and Sustainable Energy Action Plan was adopted unanimously by City Council in 2007. The Plan contains the following motion:

“(That) City Council support the development of renewable energy systems, by building policies that support more aggressive installation targets that will put Toronto on par by 2020 with Cities around the world currently leading the way in generating energy from local renewable energy systems”

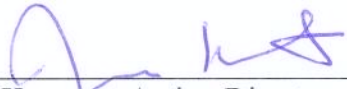
- “The Power to Live Green – Toronto’s Sustainable Energy Strategy” was adopted unanimously by the City’s Executive Committee on November 2, 2009, and will be considered by City Council on November 30, 2009. The Strategy was developed in consultation with Enbridge, and sets cumulative targets for displacing natural gas through renewable thermal energy in Toronto by 20 million cubic metres (2012); 90 million cubic metres (2020); and 200 million cubic metres (2050). Recommendations to enhance energy efficiency and renewable efforts will help the City meet these targets.

In addition, the City was represented on the Ontario Energy Board’s Low Income Energy Assistance Program Conservation Working Group earlier this year. We believe Enbridge’s proposal is consistent with the recommendations of the working group, which City staff support. The Low Income Conservation Working Group discussed at length the suitability of renewable energy technologies for the low-income consumer segment, and agreed as one of its guiding principles that a low-income DSM framework should emphasize deep measures that may include renewable technologies. The City supports the concept of renewables in the low-income consumer segment.

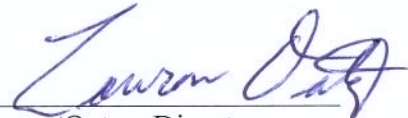
The City of Toronto is also the Service Manager under the *Social Housing Reform Act, 2006*, responsible for the administration of social housing programs within its boundaries and for payment of operating subsidies to non-profit housing providers. As Service Manager, the City believes the solar thermal water heating program will benefit low income consumers either directly in terms of household savings in the cost of gas or indirectly by reducing the operating costs of the housing project where they reside.

In cases where residents pay their own gas bills, the bill savings resulting from this program will be a direct benefit to the residents. Under the SHRA, the City pays a subsidy to cover operating costs for social housing providers which are benchmarked and capped at a certain amount for what they can spend on utilities. To the extent that this cost can be reduced, there will be a realized subsidy surplus, some portion of which can be reinvested in other projects to offset rising utility costs and provide necessary capital upgrades to the housing stock. Without the support of utilities for renewable energy conservation measures, low income consumers and social housing providers may not have access to these opportunities to reduce energy bills and play an important role in meeting provincial energy conservation goals.

In sum, the City of Toronto supports Enbridge's 2010 Low Income Program, including the solar thermal proposal, and looks forward to cooperating with Enbridge on this effort. We trust this information will be of use to the Board in its consideration of Enbridge's application.



Jim Kamsra, Acting Director,
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Lawson Oates, Director
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c: Patricia Squires, Enbridge Gas Distribution Inc.