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**Commission de l'énergie
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BY EMAIL AND WEB POSTING

November 29, 2018

**To: All Rate-regulated Natural Gas Distributors
All Participants in EB-2017-0127 and EB-2017-0128
All Participants in EB-2015-0029 and EB-2015-0049**

**Re: Report of the Ontario Energy Board: Mid-Term Review of the Demand Side
Management Framework for Natural Gas Distributors (2015-2020)
EB-2017-0127
EB-2017-0128**

Today the Ontario Energy Board (OEB) issued its *Report of the Ontario Energy Board: Mid-Term Review of the Demand Side Management Framework for Natural Gas Distributors (2015-2020)* (Mid-Term Review Report). The Mid-Term Review Report makes some updates to the existing 2015-2020 Demand Side Management (DSM) Framework and indicates that the development of the next multi-year framework will commence in early 2019.

Background

On March 26, 2014, the Minister of Energy issued a [Directive](#) to the OEB to establish a DSM policy framework, including a Mid-Term Review to align with the Mid-Term Review of the electricity sector Conservation First Framework.

On December 22, 2014, the OEB issued the [Report of the Board: Demand Side Management Framework for Natural Gas Distributors \(2015-2020\)](#), in which it noted that a Mid-Term Review would be completed by June 1, 2018 to align with the Mid-Term Review of the Independent Electricity System Operator's (IESO) Conservation First Framework.

As part of the [OEB's 2015-2020 DSM Decision](#) the OEB provided direction related to

the Mid-Term Review and outlined a number of studies and reports that Enbridge Gas Distribution Inc. (Enbridge Gas) and Union Gas Limited (Union Gas) were required to submit as part of the Mid-Term Review.

On June 5, 2017, in response to the OEB's request to defer the completion date of the Mid-Term Review to December 1, 2018, the Minister of Energy agreed that the extension would contribute to the robustness and usefulness of the results of the Mid-Term Review.

DSM Mid-Term Review Consultation

The OEB initiated the Mid-Term Review policy consultation on [June 20, 2017](#). The Mid-Term Review included two parts. In the first part, interested parties commented on two issues related to the relationship between DSM and the Cap and Trade program.

In the second part, Union Gas and Enbridge Gas submitted the studies and reports set out in the DSM Decision in two phases.

On September 6-7, 2018, the OEB hosted a Stakeholder Meeting to receive input on the status of the 2015-2020 DSM Plans.

Following the Stakeholder Meeting, all parties had the opportunity to provide written comments to the OEB. All material submitted as part of the OEB's DSM Mid-Term Review can be found on the [OEB's website](#).

Summary of OEB Conclusions

In order to ensure that the natural gas utilities can continue to provide natural gas conservation and energy efficiency opportunities to Ontario customers, the 2015-2020 DSM Framework and the approved natural gas utility DSM Plans have largely remained unchanged. The OEB has focused on making only certain necessary updates to the DSM Framework and the gas utilities' DSM plans at this time. The OEB has not accepted all requests made by various parties. The OEB will consider certain requests that have not been implemented at this time as part of the post-2020 DSM framework development.

Conservation opportunities and energy efficiency upgrades are important tools that customers can use to help manage energy costs and reduce their carbon footprint. The current portfolio of OEB-approved conservation programs offered by the natural gas utilities provide a number of opportunities for many different customers.

Cost Awards

The issuance of the *Report of the Ontario Energy Board: Mid-Term Review of the Demand Side Management Framework for Natural Gas Distributors* concludes the consultation. The OEB thanks all participants for their contributions to the DSM Mid-Term Review. Cost-eligible activities related to this consultation are complete. A Notice of Hearing for Cost Awards will be issued separately.

Questions about the DSM Mid-Term Review should be directed to Industry Relations at IndustryRelations@oeb.ca. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary