



BY EMAIL AND WEB POSTING

March 13, 2020

**To: Enbridge Gas Inc.
Evaluation Advisory Committee (EAC)
Other Stakeholders**

Re: 2017 and 2018 DSM Results Report (EB-2015-0245)

The Ontario Energy Board (OEB) is issuing two reports: the final 2017 Natural Gas Demand Side Management (DSM) Annual Verification Report, and the final 2018 Natural Gas Demand Side Management (DSM) Annual Verification Report. The Annual Verification reports were developed by the OEB's Evaluation Contractor (EC), DNV GL. The reports include the evaluation, measurement and verification (EM&V) results of Enbridge Gas Distribution Inc.'s and Union Gas Limited's 2017 and 2018 DSM programs.¹

As was the case with the [2016 DSM program results](#), the finalization of the 2017 and 2018 DSM program results were the culmination of months of analysis and review by the EC, with input from a variety of experts and stakeholders that form the OEB's Evaluation Advisory Committee (EAC), as well as OEB staff.

The final 2017 and 2018 OEB DSM results are posted on the OEB's website. Enbridge Gas Inc. is expected to file its application to clear the 2017 and 2018 DSM deferral and variance account balances based on the results contained in the 2017 and 2018 DSM Annual Verification Reports. The application will be subject to an adjudicative process.

2017 and 2018 DSM Results Reports

The OEB's 2017 and 2018 Natural Gas DSM Annual Verification Reports summarize the total verified savings achieved by all 2017 and 2018 DSM programs, including custom and prescriptive programs. The EC reviewed program documentation and results, incorporated the results from other program evaluations conducted on the 2017 and 2018 DSM programs, and completed calculations to determine eligible shareholder incentive amounts, lost revenues and cost-effectiveness results to inform its final opinion on the 2017 and 2018 DSM Results.

¹ Enbridge Gas Distribution Inc. and Union Gas Limited amalgamated effective January 1, 2019 to become Enbridge Gas Inc.; however, because the programs will continue to be implemented individually through the remainder of the current framework, the EC evaluated each program by utility.

Included within the 2017 and 2018 Natural Gas Verification Reports are the combined 2017-2018 Natural Gas DSM Custom Savings Verification and 2018 Natural Gas DSM Free Ridership Evaluation reports, completed by DNV GL. These two reports summarize the analysis that was undertaken to verify the savings associated with commercial and industrial custom projects in 2017 and 2018, which make up the majority of the savings achieved by the gas utilities' DSM programs. The report explains how the gross savings estimates were verified for a sample of 2017 and 2018 projects within the gas utilities' custom DSM programs. DNV GL reviewed project-level documentation and conducted interviews and site visits with customers who participated in the utilities' DSM programs to complete its evaluation of savings for 2017 and 2018 custom programs. The 2018 free ridership report provides the results of an updated free ridership study that focused on 2018 program participants and the influence of the utility program on their decisions to make energy efficiency upgrades.

The 2017 Annual Verification Report also references the [2017 Commercial and Industrial Prescriptive Verification Report](#), completed by Itron Inc., which summarizes a similar analysis that was undertaken to verify the savings and free ridership associated with certain priority measure groups within the gas utilities' commercial and industrial prescriptive DSM programs.

These reports, and the methodologies upon which they are based, were developed by the respective consultants undertaking the evaluation studies and reviewed by OEB staff and the EAC. The EAC provided input and advice at various milestones including selection of key methodologies, establishment of verification instruments, and development of draft and final results. The EAC also reviewed and provided comments on all the site reports developed as part of these studies. DNV GL led discussions with the EAC to address the issues identified based on its own independent, expert judgement.

2019 DSM Evaluation

The deadline for Enbridge Gas to submit 2019 Draft DSM Evaluation Reports for both legacy Enbridge Gas Distribution Inc. and legacy Union Gas Limited DSM programs is Friday, April 17, 2020 – approximately one month from today's release of the 2017 and 2018 DSM results reports.

Questions about the 2017 and 2018 DSM results reports and 2019 DSM evaluation should be directed to Josh Wasylyk josh.wasylyk@oeb.ca or 416-440-7723.

Yours truly,

Original Signed By

Christine E. Long
Registrar and Board Secretary