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June 12, 2020

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, ON M4P 1E4

Attention: Christine E. Long, Registrar and Board Secretary

Dear Ms. Long:

**Re: Board File No. EB-2019-0271 – Enbridge Gas Inc. 2021 DSM Plan
LIEN's Written Submission**

Please find enclosed the Low-Income Energy Network ("LIEN")'s written submission regarding Enbridge Gas Inc.'s 2021 DSM plan application.

Yours truly,



Matt Gardner
Partner
*Certified as a Specialist in Environmental
by the Law Society of Ontario*

cc: LIEN Legal Subcommittee
Judy Simon

Encl.

Document #: 1763815

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S. O.
1998, c. 15, Schedule B;

AND IN THE MATTER OF an application by Enbridge Gas Inc.
to extend its approved 2020 Demand Side Management Plan in 2021

**SUBMISSION OF
THE LOW-INCOME ENERGY NETWORK**

June 12, 2020

I. INTRODUCTION

1 The Low-Income Energy Network (“LIEN”) sets out below LIEN’s submissions in response to the Application filed by Enbridge Gas Inc. (“Enbridge”) requesting:

- (a) an extension of Enbridge’s current 2015-2020 DSM Framework for one year (effective January 1, 2021 to December 31, 2021);
- (b) approval of Enbridge’s (and Union Gas’) previously approved 2020 DSM Plans to be rolled forward for one year into 2021; and
- (c) approval of Enbridge’s proposed 2021 DSM Plan as filed.

2 LIEN concurs with Enbridge that it is in the best interest of all ratepayers to have a continuation of DSM programs through 2021 and beyond, especially for lower-income ratepayers. This has become even more important due to the Covid-19 pandemic in

Ontario, which has caused increased economic pressures on lower-income Ontarians. As a result, it is essential to provide opportunities for these consumers to manage their gas bills through implementing effective DSM measures in their dwellings.

II. LOW-INCOME PROGRAM PERFORMANCE

3 Enbridge's Low-Income DSM programs are an important component of Enbridge's DSM portfolio. In 2017 and 2018, in Enbridge's rate zone, low-income programs comprised 11% and 16%, respectively, of total lifetime natural gas savings achieved by the DSM portfolio, while the forecast for 2020 and 2021 for this rate zone is 14% and 13%, respectively, revealing a drop in the savings expected. For Union Gas' rate zone, the percent contribution of low-income programming to total lifetime natural gas savings is expected to go up from 5% in 2017 and 2018 to 8% in 2020 and 2021.¹

4 In Enbridge's rate zone, the low-income DSM portfolio performance has not been performing as well as expected during the 2015-2020 framework, but Enbridge did achieve distributed uptake of measures across the rate zone. During the 2016-2018 period, all Enbridge rate zone low-income programs were underspent due to cancellations or delays in the program year due to delivery agents not finalizing projects as forecast.² However, this was turned around in 2019 for the Home Winterproofing program, which overachieved its target by 300 homes and in so doing exceeded the budget. Both Low-Income New Construction and Low-Income Multi-residential in 2018 exceeded their respective targets.

¹ Exhibit I. VECC.1.

² Exhibit I. LIEN.1.

5 In Union's rate zone, the low-income portfolio underperformed, but did achieve distribution of uptake of measures across the rate zone. While the Home Weatherization program performed well in 2019, the Multi-Family, Indigenous and Furnace-End-of-Life programs all underperformed to a significant degree throughout the period.³

6 While LIEN understands that the Furnace-End-of-Life program is not cost-effective, it provides a valuable opportunity for low-income customers, especially for those that would otherwise be buying a less-efficient used furnace at the end of their furnace's end of life. The assumption that the low-income customer is obtaining a furnace that meets the current standard to replace one that has reached end of life may not be an appropriate one for this program.

7 Because of the weaknesses in the performance of Enbridge's low-income DSM portfolio, LIEN concludes that, overall, Enbridge's low-income DSM portfolio of programs has achieved a lackluster performance. However, LIEN is pleased that Enbridge Gas has expanded: (i) the measures available to include the direct install of adaptive thermostats to qualifying low-income residential customers and for multi-residential customers, (ii) exterior cladding, and (iii) the introduction of heat reflectors into Union's rate zone.⁴

8 Although Enbridge recognized its underperformance regarding its low-income programs and is taking steps to address it, LIEN is not satisfied that there is adequate evidence to indicate that performance will reach adequate levels in 2020 and 2021.

³ Exhibit I. LIEN.2.

⁴ Exhibit I. VECC.6; Exhibit I. FRPO.1; Exhibit I. OSEA.6.

Further, while Enbridge has indicated that it has no immediate plans to reallocate funds between programs⁵, LIEN is concerned that the difficulties in reaching this already hard-to-reach market may be exacerbated due to Covid-19 and result in Enbridge moving funds from its low-income programs to other more readily-accessible markets to maximize aggregate scorecard results.

9 To help to improve the performance of Enbridge's low-income programs, LIEN requests that the Board urge Enbridge to:

- (a) improve the performance in each of its low-income program offerings in number of participants and total lifetime savings in 2020 and in 2021;
- (b) work more closely with partners such as LIEN, HSC and municipalities on these programs to gain insights and assistance, where possible, in improving performance; and
- (c) not move funds from its low-income programs, but instead use these funds wisely to achieve higher savings and greater uptake, and to better understand barriers and how to overcome them to serve this market more effectively in 2021 and beyond.

III. STAKEHOLDER CONSULTATION

10 For the delivery of this DSM framework, Union and Enbridge disbanded their DSM Consultatives and associated task groups, including the low-income task group. Up until this framework these consultation vehicles had provided a forum of

⁵ Exhibit I.ED.6; Exhibit I. PP.7.

collaboration and mutual shared learnings among the participants and broader DSM stakeholder group.

11 In response to an interrogatory from Board Staff⁶, LIEN was pleased to learn that Enbridge is conducting a virtual energy audit pilot for residential and low-income customers. LIEN would like to be kept informed of the progress of this pilot and anticipates being able to provide Enbridge with useful feedback on its delivery and future rollout.

12 In response to an interrogatory from Pollution Probe⁷, Enbridge indicated that it was not averse to incremental stakeholder engagement in 2021, provided that the Board signals that such engagement is appropriate.

13 Since Enbridge is open to augmenting its stakeholder engagement with Board signalling and such consultation will be valuable to the success of the delivery of Enbridge's DSM portfolio in 2021, LIEN urges the Board to signal to Enbridge that Enbridge should enhance its DSM stakeholder consultations, and in particular, reinstate the consultations on low-income programming to include meaningful consultations to both Enbridge and participants for the 2020 and 2021 portfolios.

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⁶ Exhibit I. STAFF.3.

⁷ Exhibit I. PP.9.