

Ms. Christine Long
OEB Registrar
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

July 19, 2021

**Re: EB-2021-0002 Enbridge Multi-Year Demand Side Management Plan (2022 to 2027)
Pollution Probe Reply Submission on the Draft Issues List**

Dear Ms. Long:

In accordance with Procedural Order No. 2 dated June 22, 2021 for the above noted proceeding, please find Pollution Probe's Reply Submission pertaining to the Draft Issues List.

Pollution Probe is not intending to reiterate its previous submission and supporting information included in its July 9, 2021 submission, but believes that it remains pertinent. Pollution Probe filed that submission early to provide an opportunity for all parties to review prior to the July 12 deadline. Pollution Probe notes that the Enbridge submission dated July 12, 2021 included opinions and recommendations more expansive than the Draft Issues List. The attached Reply Submissions relates specifically to submissions filed by parties, including the additional issues raised by Enbridge.

Pollution Probe would also like to reiterate the value of an early Stakeholder Conference as outlined in its letter dated May 31, 2021. The purpose of the Stakeholder Conference would be to promote alignment on understanding of the issues and provide an opportunity to build collaboration and efficiency in the process. The Stakeholder Conference is intentionally more comprehensive than the 'Introduction Day' proposed by Enbridge, but the OEB could also consider a 2 Day Stakeholder Conference with the morning of the first day including the Enbridge 'Introduction Day' presentation and questions related to the presentation.

Reply Comments Related to Draft Issues List

Based on Draft Issues List submissions of parties to this proceeding, there was essential consensus, with the exception of Enbridge that the Draft Issues List provided a sound and reasonable foundation for this proceeding. Some parties (including Pollution Probe) provided a few potential enhancements for the OEB to consider. In many cases, the OEB could include the suggested enhancements under issues it has already proposed. All proposed enhancements were complimentary to the Draft Issues List and there was no suggestion that any of the issues on the Draft Issues List were not appropriate or should be deleted. In fact, it appears that the OEB harvested the most appropriate issues based on past experience.

Pollution Probe continues to support the OEB's Draft Issues List, with consideration of minor enhancements included in the submissions. This is the inaugural proceeding to review the first DSM Plan for the merged utility, the DSM Framework and potentially integrated DSM portfolio issue out to 2027. This is not a trivial set of issues and Pollution Probe suggests that artificially restricting the comprehensive review proposed by the OEB would result in significant immediate (i.e. 2022) and long-term issues, including lost opportunities to achieve over \$100 million per year in consumer benefits.

This proceeding is particularly significant due to many factors and truncating the process or removing relevant issues from consideration is not in the public interest. Some of the significant elements in this proceeding include:

- A proposed new DSM Framework for Ontario that includes foundational elements including a shareholder incentive mechanism, evaluation and audit treatment, cost-effectiveness rules, etc.
- A multi-year plan that could lock-in programs for up to 6 years.
- This plan is the inaugural consolidated DSM program for the merged utility. Consumers and stakeholders have been waiting 6 years to see greater portfolio efficiency, innovation and consumer benefits from a consolidated plan.
- Removal of key DSM Framework elements such as the budget envelop and replacing it with Enbridge budget discretion through its proposed DSM plan.
- Opportunities to enhance policy, consumer and community outcomes through improved programs, partnerships and economic benefits.

Pollution Probe acknowledges and supports the observation made by IGUA, APPrO and other parties that reductions of air pollutants (e.g. GHGs) is an important integrated element of DSM programs. Whether Ontario consumers, businesses and communities reduce energy use due to cost savings, increased comfort/productivity or reduction of GHG/climate related emissions is all related to the DSM portfolio. Best practice is to leverage all these benefits to maximize the appeal and benefits from DSM programs. It is not practical to artificially restrict a review of the comprehensive DSM portfolio and ignore the integrated nature of the portfolio. For the reasons outlined in this Reply Submission, Pollution Probe recommends that the OEB reject the restrictions to the Draft Issues List proposed in the Enbridge submission.

Reply Comments related to other issues included in Submissions

As mentioned above, essentially all submissions focused on the specific Draft Issues List per the instructions provided in Procedural Order No. 2. There were some related issues that extended beyond the specific items in the Draft Issues List and it is important that the OEB does not interpret lack of comment as acceptance or endorsement of those positions. Pollution Probe is not intending to reply to all of those additional comments, but has included comments related to a few of the issues raised in the Enbridge submission.

Enbridge indicated that "the Company believes it is appropriate to assume that the OEB will have made decisions in respect of the 2022 program year and that the Issues List should not include any

reconsideration of that portion of the program year which is the subject of the interim decision of the OEB”. This assertion presupposes the entire process and the decision of the OEB before it has even occurred. The OEB has already stated its opinion that under the Enbridge proposal the 2022 program year would impact all future years and therefore it is not appropriate to restrict an assessment of all 2022 issues due to the integrated nature. It would be more efficient to accept the OEB direction from Procedural Order No. 2 and focus on the path forward to enhance DSM programs, portfolio and benefits for Ontario consumers and communities. Enbridge also suggests that any focus on budget should be restricted and selectively picks the words “modest budget increase” as support for this position without consideration of the context of the letters from the OEB, Ministry or needs of Ontario consumers. It appears that the OEB dissolved that narrow interpretation when it indicated in Procedural Order No. 2 that “The OEB’s letter went on to state “[t]he appropriate level of ratepayer funding expended for DSM programs must weigh the cost-effective natural gas savings to be achieved against both short-term and long-term customer bill impacts.” This weighting cannot be done without looking at the budget (i.e., bill impacts), the natural gas savings, and programs together.”

Enbridge suggests in its submission that the OEB does not have the authority or ability to consider or approve anything other than what Enbridge has proposed. More specifically Enbridge indicate that “the application which the Company was directed to file is not part of a generic proceeding nor is it a continuation of a framework consultative. As a result, Enbridge Gas submits that the Issues List should not indicate that this Application will undertake an extensive review of DSM framework elements and approaches ...”. Similar to EB-2020-0091 and many other OEB proceedings, the OEB clearly has the authority to assess an appropriate set of proceeding issues beyond the evidence filed by Enbridge. In the case of EB-2020-0091 the OEB was not restricted by the initial evidence filed by Enbridge and set an appropriate scope to assess the issues in a fulsome manner to achieve the best outcome for Ontario consumers and communities. Enbridge also filed multiple rounds of enhanced evidence once it was clear that the narrow initial filing was not in the public interest or representative of current best practice.

All the issues highlighted by the OEB and stakeholders in this proceeding are directly related to the DSM Plan and related DSM Framework. Enbridge also suggests that if the OEB considers anything other than what was filed by Enbridge, it will not be possible to implement the changes by 2022. The OEB has full control over timing and has held a hearing, assessed and approved similar new programs in less than a month when required. There are multiple options open to the OEB to consider improvements to mitigate existing gaps.

The Enbridge submission also suggested that the procedure in this proceeding should be artificially restricted to exclude due process (e.g. interrogatories and submissions) related to the 2022 program year. The 2022 DSM Plan has the potential (under the Enbridge proposal) to set the foundation for all future years. Without resolving the gaps and issues associated with the 2022 DSM Plan, it would not just strand consumer and policy benefits from 2022, but those issues will be compounded each additional year that they are not addressed.



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Thank you for the opportunity to provide input and comments.

Respectfully submitted on behalf of Pollution Probe.

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