

ENBRIDGE GAS INC.

Answer to Interrogatory from
Ontario Energy Board (STAFF)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, pp. 9-15

Question(s):

Enbridge Gas has provided its proposed DSM budgets in a series of tables.

- a) Please provide an MS Excel file that includes actual DSM spending at the offering, scorecard, and portfolio level for the 2015-2021 (draft/estimate) program years, OEB-approved budget for 2022 and proposed budget for 2023-2027 broken out by incentive
- b) e costs, promotion costs, delivery costs and admin costs, similar to Tables 4-8. Please also include portfolio level costs, budgets and proposals for administration, evaluation and regulatory and research and development. Please also include program subtotals, portfolio subtotals and total rows, similar to Table 4-8.
- c) Please discuss and provide any sensitivity analysis conducted by Enbridge Gas in the development of its DSM plan, including any scenarios where budgets were significantly increased for programs for C&I customers that offer the greatest potential and deliver the most cost-effective savings.
- d) Please provide an MS Excel file that shows all administration, evaluation and regulatory costs, and research and development costs from 2015-2021 (draft/estimates if required), 2022 budgeted and 2023-2027 proposed. In your response, please discuss how Enbridge Gas's proposed administration costs should be compared and considered when reviewing recent administration costs from the legacy utility structure.
- e) Please discuss the decision to dedicate the largest portion of the budget to the Residential and Low Income programs as opposed to the Commercial and Industrial Programs.

- f) Please consolidate Tables 4-8 into a single MS Excel file and add 2015-2021 actual spending (estimates for 2021 if necessary) and budgeted 2022 amounts. In doing so, please endeavor to align previously approved offerings with the newly proposed as best as possible.
- g) Please discuss the rationale for the relatively significant promotion costs for the Residential Smart Home offering.
- h) Please discuss why the Industrial Program has zero non-incentive costs assigned to it. In your response, reconcile the discussion in the program section (Exhibit E, Tab 1, Schedule 5) which notes that Industrial customers often lack the resources or technical expertise to identify and develop the business case for efficiency improvements, leading to the program to be designed with Enbridge Energy Solution Advisors to work with customers on a one-to-one basis.
- i) Please discuss the process Enbridge Gas follows when promotion, delivery and/or administration costs are less than budgeted in any year. In your response, please indicate if lower non-incentive costs get transferred to incremental incentive costs to continue to drive program performance or if any non-incentive cost savings are retained by Enbridge Gas.

Response

- a) b), and f)

Please see Attachment 1.

It is critical to note that while Enbridge Gas has endeavored to align previously approved programs as well as administration and portfolio costs with the newly proposed programs, administration and portfolio costs as best as possible, there are multiple footnotes in the attachment that outline the challenges with this comparison. As the budgets and spending were tracked differently between the two legacy utilities, there are many cases where Enbridge Gas has attempted to combine numbers but the reader should be warned a direct comparison is often not reasonable. In addition, there are new programs proposed and other programs that do not continue, as well as changed in the way costs are proposed to be tracked which also make comparisons challenging.

- c) Enbridge Gas provides the following analysis on budget/target sensitivity which allows comparison between analysis of the 2019 Achievable Potential Study and analysis conducted by the Company for the Residential, Low Income, Commercial and Industrial programs. The results are broadly consistent in demonstrating that there is a strongly non-linear relationship between incremental budgetary levels or

spend and incremental results which is an expected result, where conservation programs have an increasing marginal cost per unit as budgets are increased. Stated differently, and as demonstrated below, an increase in the budget by say 20% will not result in an increase in natural gas savings of 20% as the cost of achieving greater savings increases in a non-linear fashion. The marginal cost of achieving additional savings increases further in a non-linear fashion as the size of the budget increase grows making additional savings that much more costly.

It should also be noted that in the case of a materially large increase in budget relative to what has been proposed, the existing portfolio of program offerings may not be able to acceptably accommodate such levels of spending. It is quite likely that Enbridge Gas would need to consider the introduction of additional program offerings as the current portfolio of offerings may not be able to accommodate such increased spending from an operations/market perspective and/or because additional incremental savings would no longer be cost effective.

Enbridge Gas reviewed the Online 2019 APS data files¹, and utilized the net cubic meters and net total budget figures shown to calculate the net cost per cubic meter for each of the Residential, Commercial and Industrial sectors for both Scenario A and Scenario C as shown in the table below. This shows the average cost per unit for each of these scenarios.

Table 1: 2019 APS Scenario A and Scenario C net cost per cubic meter

From APS Online files	APS Scenario A			APS Scenario C		
	Net M3	Net \$	Net \$/M3	Net M3	Net \$	Net \$/M3
2023						
Residential¹	31,738,358	\$ 18,109,260	\$0.57	39,124,756	\$ 42,508,692	\$1.09
Commercial	42,514,097	\$ 30,052,031	\$0.71	45,295,028	\$ 49,208,075	\$1.09
Industrial²	46,954,518	\$ 31,072,136	\$0.66	61,837,488	\$ 83,702,576	\$1.35
Total	121,206,972	\$ 79,233,428	\$0.65	146,257,273	\$ 175,419,343	\$1.20

However, Scenario C results in the APS encompass all of the Scenario A results and more (i.e. the scenarios overlap and Scenario A is a portion of Scenario C). In order to understand the incremental cost per unit above the Scenario A results, the Company has calculated the difference between the two scenarios and normalized this output per unit to demonstrate the implied incremental cost for results above Scenario A but included within Scenario C.

¹ 2019 Conservation Achievable Potential Study, IESO (December 18, 2019). <https://www.ieso.ca/2019-conservation-achievable-potential-study>

Table 2: Incremental cost per cubic meter Scenario C above Scenario A

Calculation from APS Online file	Incremental (Difference between Scenario C and Scenario A)		
2023	Net M3	Net \$	Net \$/M3
Residential ¹	7,386,398	\$ 24,399,431	\$3.30
Commercial	2,780,932	\$ 19,156,044	\$6.89
Industrial ²	14,882,971	\$ 52,630,439	\$3.54
Total	25,050,301	\$ 96,185,915	\$3.84

¹Residential sector in APS includes single family detached, semi/row, low-income single detached semi/row, multi-residential and low income multi residential

²Industrial sector includes Large Volume customers.

Enbridge Gas notes that the 2019 APS study shows very different average cost per unit under different scenarios, and the incremental cost per unit between the scenarios demonstrates a strong non-linear relationship of results to budgetary level across all of the sectors. In other words, increases in budget allocations to each of the sectors would be expected to achieve a less than proportional increase in results. Scenario A for example, which was portrayed as the business-as-usual scenario in the 2019 APS, shows a Total average cost of \$0.65/m³ across all sectors, but the incremental cost above Scenario A up to the Scenario C budget has a Total average cost of \$3.84/m³. Put another way, each unit of incremental result over and above Scenario A is expected to cost about 6 times as much as the average for the Scenario A budget level. This strong nonlinearity also exists across all sectors. The Company notes that this dynamic is expected as marginal costs are strongly non-linear.

Enbridge Gas notes the following caveats for using the 2019 APS info in comparison to the following analysis from the Company:

- APS shows net results and the Company is uncertain of the underlying assumptions on the net to gross values, and therefore the results cannot be directly compared to DSM actual results or the proposed DSM Plan
- As noted in Exhibit E, Tab 4, Schedule 7 the Company has highlighted many discrepancies in the granular details for the 2019 APS. Enbridge Gas suggests this is one reference point that should be considered but not solely relied upon for decision making purposes.

In the tables below, Enbridge Gas has provided a sensitivity analysis related to DSM budget levels at the program level for its core resource acquisition programs, Residential, Low Income, Commercial, and Industrial. In the analysis, Enbridge Gas provides an estimate of the incremental results that are achievable in 2023 for the following two scenarios:

Table 3: A 10% increase in each program budget individually

Table 4: A 20% increase in each program budget individually

Table 3: Sensitivity scenario - +10% Budget Increase by Sector

	+10% Budget Increase by Sector					
	Incentive Costs (incremental)	Promotion Costs (incremental)	Delivery Costs (Incremental)	Admin Cost (incremental)	*TOTAL BUDGET (Incremental)	Incremental net m3
Residential Program	\$ 3,288,630	\$ 670,000	\$ 121,850	\$ -	\$ 4,080,480	1,364,694
Whole Home	\$ 2,262,987	\$ 200,000	\$ 111,450		\$ 2,574,437	387,956
Single Measure	\$ 538,144	\$ 100,000	\$ 10,400		\$ 648,544	41,327
Smart Home	\$ 487,500	\$ 370,000	\$ -		\$ 857,500	935,410
Low Income Program	\$ 1,096,719	\$ 599,400	\$ 602,649	\$ -	\$ 2,298,768	376,443
Home Winterproofing	\$ 305,713	\$ 376,000	\$ 467,671		\$ 1,149,384	92,047
Affordable Housing MR	\$ 791,006	\$ 223,400	\$ 134,978		\$ 1,149,384	284,396
Commercial Program	\$ 1,089,916	\$ 175,180	\$ 1,045,181	\$ 216,000	\$ 2,526,277	1,369,471
Commercial Custom	\$ 678,754	\$ 54,000	\$ -		\$ 732,754	813,309
Prescriptive Downstream	\$ -	\$ -	\$ -		\$ -	-
Direct Install	\$ -	\$ -	\$ -		\$ -	-
Prescriptive Midstream	\$ 411,162	\$ 121,180	\$ 1,045,181		\$ 1,577,523	556,162
Industrial Program	\$ 1,492,011	\$ 20,800	\$ -	\$ 270,000	\$ 1,782,811	3,357,692
Industrial Custom	\$ 1,492,011	\$ 20,800	\$ -		\$ 1,512,811	3,357,692

Table 4: Sensitivity scenario - +20% Budget Increase by Sector

	+20% Budget Increase by Sector					
	Incentive Costs (incremental)	Promotion Costs (incremental)	Delivery Costs (Incremental)	Admin Cost (incremental)	*TOTAL BUDGET (Incremental)	Incremental net m3
Residential Program	\$ 6,737,410	\$ 1,180,000	\$ 243,550	\$ -	\$ 8,160,960	2,297,660
Whole Home	\$ 4,841,060	\$ 400,000	\$ 222,750		\$ 5,463,810	775,913
Single Measure	\$ 1,146,350	\$ 200,000	\$ 20,800		\$ 1,367,150	82,654
Smart Home	\$ 750,000	\$ 580,000	\$ -		\$ 1,330,000	1,439,093
Low Income Program	\$ 2,322,342	\$ 1,024,400	\$ 1,155,796	\$ 95,000	\$ 4,597,538	718,406
Home Winterproofing	\$ 617,438	\$ 701,000	\$ 932,831		\$ 2,251,269	184,010
Affordable Housing MR	\$ 1,704,904	\$ 323,400	\$ 222,965		\$ 2,251,269	534,396
Commercial Program	\$ 3,174,012	\$ 293,787	\$ 1,260,756	\$ 324,000	\$ 5,052,555	2,011,306
Commercial Custom	\$ 678,754	\$ 54,000	\$ -		\$ 732,754	813,309
Prescriptive Downstream	\$ -	\$ -	\$ -		\$ -	-
Direct Install	\$ 2,084,096	\$ 118,607	\$ 215,575		\$ 2,418,278	641,835
Prescriptive Midstream	\$ 411,162	\$ 121,180	\$ 1,045,181		\$ 1,577,523	556,162
Industrial Program	\$ 3,084,023	\$ 49,600	\$ -	\$ 432,000	\$ 3,565,623	4,949,075
Industrial Custom	\$ 3,084,023	\$ 49,600	\$ -		\$ 3,133,623	4,949,075

An explanation of the details and assumptions made for the sensitivity analysis is provided below for each of the Sectors.

Residential

Efforts to increase results in the Residential Program will require investment in marketing initiatives to advance program awareness and project lead generation, as well as incremental project rebates in order to increase the conversion of leads to projects. These incremental project acquisition costs will result in a higher percentage of incremental spend relative to savings, as demonstrated in the sensitivity analysis where a 10% increase in program budget is anticipated to yield an 9.2% increase in overall gas savings associated within the Residential Program. Estimated savings growth based on a 10% increase to program budget is based on the following assumptions:

- Smart Home: Incremental participation would be driven by enhanced multi-medium promotional efforts such as radio, digital and direct mail channels, to increase awareness and in turn measure adoption.

- Single Measure and Whole Home offerings: Increased average rebates coupled with enhanced promotional efforts would be leveraged to drive further awareness and uptake of these offerings.

Similar to the 10% incremental budget scenario, further market penetration will require even greater investment in marketing and enabling rebates, therefore, a 20% increase to program budget is anticipated to result in a 15.6% increase in gas savings across the Residential Program.

Low Income

Incremental results in the Low Income Program would be driven by efforts to extend reach of programming to a broader group of customers. This would require a combination of targeted promotional efforts, enhanced incentives and educational outreach initiatives, resulting in a higher incremental cost per incremental project. Enbridge Gas estimates that a 10% increase in the program budget can generate an additional 4.8% in gas savings results across the Low Income Program.

Estimated savings growth based on a 10% increase to program budget is based on the following assumptions:

- Home Winterproofing: Marketing efforts would be ramped up through enhanced sponsorships with associations as well as targeted communications initiatives to enhance awareness and engagement in the offering. Incremental budget would also be allocated to Delivery Agents to resolve Health and Safety issues that may have otherwise prevented customers from participating in the offering. Finally, additional budget would be allotted to Delivery Agents to enable them to deliver incremental results.
- Affordable Housing: Enhanced sponsorships with associations and targeted marketing initiatives to identify and reach specific sub-segments of the market would be leveraged to increase awareness and engagement in the offering. Limited time increased incentive offers (Limited Time Offers or LTOs) would also be introduced to drive further participation among housing providers who lack funds to rank energy efficiency as a priority. Finally, additional budget would be allocated to support energy audits in an effort to help customers identify new opportunities, including the potential for retro-commissioning measures.

In a 20% incremental budget scenario, an even greater investment in promotional efforts and enabling initiatives would be required to reach further into the most vulnerable segments of the Low Income customer base. Furthermore, an incremental resource addition (Energy Solutions Advisor) would be required to broaden reach among smaller multi-residential buildings. Based on the analysis

conducted, a 20% increase in program budget is estimated to result in the achievement of a 9.1% increase in overall program savings results.

Commercial

Enbridge Gas's path to driving incremental results over the next framework term is based on influencing additional projects through the various Commercial offerings in a way that balances the priorities of the proposed DSM framework, such as encouraging widespread customer participation, serving small volume customers, and minimizing lost opportunities. This can be achieved through a combination of incremental company resources above what was originally proposed, incremental incentives to reduce cost barriers, and enhanced engagement with service providers who support bringing these Commercial offerings to customers. The incremental savings achievable through these enhanced efforts will not be proportionate to the cost. As such, a 10% increase to program budget is estimated to be able to achieve a 5.6% increase in overall program gas savings.

Estimated savings growth based on a 10% increase to program budget is centered on the following assumptions:

- **Commercial Custom:** The addition of two Energy Solutions Advisors would be proposed to broaden reach of the offering, with an anticipated incremental contribution 0.8 MM m³ annually in net savings. This is a 20% reduction relative to the per capita productivity built into the proposed plan due to the expected decrease in average project size with the additional, likely smaller, projects being targeted. A 20% increase in average incremental project incentive cost was also forecasted to accommodate the expectation that smaller projects would need additional incentive support.
- **Midstream:** a 20% increase in units in the foodservice track was assumed based on an increase in incentives, marketing, and promotion efforts.

In a 20% incremental budget scenario, additional investments beyond the 10% scenario described above, would be allocated towards the Direct Install offering in an effort to further engage the small commercial customer base. This would involve increasing incentive coverage to up to 100% of incremental project costs, and engaging additional service providers to extend reach of the offering, which in turn would require an incremental company resource to administer and oversee. Based on the incremental initiatives proposed in the 10% scenario coupled with the proposed additional emphasis on Direct Install measures, Enbridge Gas estimates that a 20% increase to program budget would generate an 8.3% increase in natural gas savings.

Industrial

The ability to achieve incremental results through the Industrial Program is based on influencing additional projects through the Custom Offering. Energy Solutions Advisors (“ESAs”) are responsible for working directly with customers to support custom projects. Therefore, efforts to increase projects would require additional ESAs. Furthermore, with incremental projects, additional company resources would be required to evaluate the projects. Enbridge Gas already assumed an incremental three ESAs and one incremental program evaluation resource as part of the DSM Plan (reference Exhibit D, Tab 1, Schedule 1 in the staffing discussion). Any incremental resources above those filed in the DSM Plan are assumed to be able to contribute less savings per capita based on the assumption that broader penetration of the industrial customer base would result in supporting smaller projects. Furthermore, based on the proposed tiered incentive structure, smaller projects will cost more per cube. As a result, a 10% increase in the Industrial Program budget is anticipated to yield a 6.7% increase in program gas savings.

Estimated savings growth based on a 10% increase to program budget is centered on the following assumptions:

- Industrial Custom: The addition of two Energy Solutions Advisors would be proposed to broaden reach of the offering, with an anticipated incremental contribution of 2.8 MM m³ annually. This represents a 20% reduction relative to the average per capita productivity assumptions built into the DSM plan. A partial resource for program evaluation would also be proposed to accommodate the incremental projects. Remaining incremental budget would be allocated towards LTOs to drive additional project uptake.

In a 20% incremental budget scenario, an additional two ESAs would be proposed above those proposed in the 10% scenario, with an estimated 30% reduction in average per capita productivity relative to assumptions built into the DSM Plan. An incremental dedicated evaluation resource would also be required to accommodate the forecasted additional projects. Finally, average incentive costs per incremental project would rise based on reduced average project size, and incremental spend on LTOs would be required to support additional project uptake. Based on these assumptions, a 20% increase in program budget is estimated to yield a 9.8% increase in overall program gas savings.

- d) See the response to part f) above. As outlined in the response to part f) it is not possible to do a direct comparison of administration costs as they were tracked differently in the EGD and Union rate zones and as a result are different in the proposed budget for 2023. Careful review of the footnotes in part f) is required to understand these differences.

- e) Please see response at Exhibit I.6.EGI.CCC.10b.
- g) The Smart Home offering's promotion budget reflects how customers learn of the offering, about the technology and are motivated to take action. Leads are driven primarily through the customer directly as opposed to the influence of market actors. The promotional cost for the Residential Smart Home offering will support overall reach, penetration and adoption beyond early adopters by building the required knowledge for the technology and driving awareness of the program and available rebates.
- h) As outlined in Exhibit D, Tab 1, Schedule 1, page 11, Table 4, the Industrial Program has promotional costs and administrative costs assigned in addition to incentive costs. There are no delivery costs assigned to the program because the program is delivered by Energy Solutions Advisors who are employees of Enbridge Gas.

As outlined in Exhibit E, Tab 1, Schedule 5, page 6, paragraph 16, "Enbridge Gas's ESAs work with customers as an extension of their team, and provide support to help identify, quantify and develop an implementation plan for efficiency projects." Part of this support would involve assisting customers in putting together figures to support a business case.

- i) When promotion, delivery or administration costs are forecast to be lower than the approved budget, Enbridge Gas will endeavor to use these funds to drive results. For example, if a program is performing above target, Enbridge Gas would first look to reallocate underspent promotion dollars before accessing the 15% overspend allowance. If Enbridge Gas cannot identify a useful application of the underspend, the dollars would be returned to ratepayers, as outlined in the DSMVA section of Exhibit C, Tab 1, Schedule 1, pages 50-51. At no time, would any underspend be retained by the Company.

2015 DSM Actual Spend	Incentive Costs	Promotion Costs	Delivery Costs ¹	Admin Costs ²	2015 Total
Residential Program	\$11,861,620	\$1,473,250	\$0	\$3,150,606	\$16,485,476
Residential Whole Home	\$11,861,620	\$1,473,250			\$13,334,871
Residential Single Measure ³	\$0	\$0			\$0
Residential Smart Home	\$0	\$0			\$0
Low Income Program	\$10,972,819	\$2,228,611	\$0	\$2,742,053	\$15,943,482
Home Winterproofing	\$7,477,470	\$1,803,285			\$9,280,755
Affordable Housing Multi-Residential	\$3,495,348	\$425,325			\$3,920,674
Commercial Program	\$7,018,166	\$3,039,222	\$0	\$3,128,624	\$13,186,012
Commercial Custom ⁴	\$4,657,863	\$2,355,980			\$7,013,843
Prescriptive Downstream ⁵	\$2,360,304	\$683,241			\$3,043,545
Direct Install	\$0	\$0			\$0
Prescriptive Midstream ⁶	\$0	\$0			\$0
Industrial Program	\$6,027,554	\$647,600	\$0	\$2,203,683	\$8,878,837
Industrial Custom ⁷	\$6,027,554	\$647,600			\$6,675,154
Large Volume Program	\$2,219,151	\$4,134	\$0	\$863,933	\$3,087,218
Direct Access ⁸	\$2,219,151	\$4,134			\$2,223,285
Energy Performance Program ³	\$0	\$0	\$0		\$0
Whole Building Pay For Performance (P4P)	\$0	\$0			\$0
Building Beyond Code Program	\$1,898,199	\$1,025,388	\$0	\$839,328	\$3,762,916
Residential Savings by Design	\$1,282,840	\$749,183			\$2,032,022
Commercial Savings by Design	\$615,359	\$275,105			\$890,464
Affordable Housing Savings By Design	\$0	\$1,101			\$1,101
Commercial Air Tightness Testing ³	\$0	\$0			\$0
Low Carbon Transition Program ³	\$0	\$0	\$0		\$0
Residential Low Carbon	\$0	\$0			\$0
Commercial Low Carbon	\$0	\$0			\$0
Market Transformation & Energy Management Programs ⁹	\$737,891	\$462,449	\$0	\$438,868	\$1,639,208
School Energy Competition	\$0	\$0			\$0
Run It Right / RunSmart	\$0	\$0			\$0
Comprehensive / Strategic Energy Management	\$179	\$60,284			\$60,462
Optimum Home	\$736,172	\$282,464			\$1,018,637
Home Labelling (2015)	\$1,540	\$119,700			\$121,241
2015-2022 Other ⁹	\$31,175	\$521,613	\$0	\$509,200	\$1,061,988
Energy Savings Kits (2015)	\$31,175	\$521,613			\$552,788
Furnace End-of-Life (2016-2022)	\$0	\$0			\$0
Indigenous (2016-2022)	\$0	\$0			\$0
My Home Health Record (2015)	\$0	\$0			\$0
Program Subtotal	\$40,766,576	\$9,402,267	\$0	\$13,876,294	\$64,045,137
Administration Costs				\$2,189,940	\$2,189,940
Portfolio Administration ²				\$2,189,940	\$2,189,940
System Maintenance & Improvements ¹⁰				\$0	\$0
Municipal Engagement ¹¹				\$0	\$0
Evaluation and Regulatory Costs				\$1,341,532	\$1,341,532
EM&V				\$1,341,532	\$1,341,532
Regulatory & Stakeholdering ¹¹				\$0	\$0
Process and Market Evaluation ¹¹				\$0	\$0
Research and Development Costs				\$382,130	\$382,130
Research Innovation Fund ¹²				\$382,130	\$382,130
Market Data ¹¹				\$0	\$0
Other				\$213,879	\$213,879
Achievable Potential Study				\$213,879	\$213,879
Energy Literacy				\$0	\$0
Integrated Resource Planning				\$0	\$0
Miscellaneous Admin				\$0	\$0
Open Bill Project				\$0	\$0
Portfolio Subtotal	\$0	\$0	\$0	\$4,127,481	\$4,127,481
Total	\$40,766,576	\$9,402,267	\$0	\$18,003,775	\$68,172,617

See notes on final page

2016 DSM Actual Spend	Incentive Costs	Promotion Costs	Delivery Costs ¹	Admin Costs ²	2016 Total
Residential Program	\$29,295,391	\$4,117,972	\$0	\$4,115,949	\$37,529,312
Residential Whole Home	\$27,670,896	\$4,075,714			\$31,746,610
Residential Single Measure ³	\$0	\$0			\$0
Residential Smart Home	\$1,624,495	\$42,258			\$1,666,753
Low Income Program	\$12,303,538	\$3,922,096	\$0	\$1,903,573	\$18,129,207
Home Winterproofing	\$8,747,695	\$3,384,246			\$12,131,941
Affordable Housing Multi-Residential	\$3,555,843	\$537,850			\$4,093,693
Commercial Program	\$11,615,102	\$1,849,844	\$0	\$2,786,758	\$16,251,704
Commercial Custom ⁴	\$5,205,540	\$843,121			\$6,048,661
Prescriptive Downstream ⁵	\$4,021,455	\$1,003,928			\$5,025,383
Direct Install	\$2,388,106	\$2,796			\$2,390,902
Prescriptive Midstream ⁶	\$0	\$0			\$0
Industrial Program	\$9,047,920	\$584,066	\$0	\$2,491,535	\$12,123,522
Industrial Custom ⁷	\$9,047,920	\$584,066			\$9,631,987
Large Volume Program	\$2,441,233	\$322	\$0	\$509,939	\$2,951,494
Direct Access ⁸	\$2,441,233	\$322			\$2,441,555
Energy Performance Program ³	\$0	\$0	\$0		\$0
Whole Building Pay For Performance (P4P)	\$0	\$0			\$0
Building Beyond Code Program	\$3,915,426	\$1,240,297	\$0	\$820,623	\$5,976,347
Residential Savings by Design	\$2,747,934	\$721,187			\$3,469,121
Commercial Savings by Design	\$1,128,355	\$299,370			\$1,427,725
Affordable Housing Savings By Design	\$39,137	\$219,740			\$258,877
Commercial Air Tightness Testing ³	\$0	\$0			\$0
Low Carbon Transition Program ³	\$0	\$0	\$0		\$0
Residential Low Carbon	\$0	\$0			\$0
Commercial Low Carbon	\$0	\$0			\$0
Market Transformation & Energy Management Programs ⁹	\$167,796	\$1,253,465	\$0	\$496,224	\$1,917,484
School Energy Competition	\$0	\$289,555			\$289,555
Run It Right / RunSmart	\$0	\$318,922			\$318,922
Comprehensive / Strategic Energy Management	\$155	\$146,803			\$146,958
Optimum Home	\$167,641	\$498,184			\$665,825
Home Labelling (2015)	\$0	\$0			\$0
2015-2022 Other ⁹	\$6,600	\$14,832	\$0	\$1,969	\$23,401
Energy Savings Kits (2015)	\$0	\$0			\$0
Furnace End-of-Life (2016-2022)	\$6,600	\$1,200			\$7,800
Indigenous (2016-2022)	\$0	\$13,632			\$13,632
My Home Health Record (2015)	\$0	\$0			\$0
Program Subtotal	\$68,793,007	\$12,982,893	\$0	\$13,126,570	\$94,902,471
Administration Costs				\$7,327,413	\$7,327,413
Portfolio Administration ²				\$2,364,580	\$2,364,580
System Maintenance & Improvements ¹⁰				\$4,962,833	\$4,962,833
Municipal Engagement ¹¹				\$0	\$0
Evaluation and Regulatory Costs				\$2,825,581	\$2,825,581
EM&V				\$2,825,581	\$2,825,581
Regulatory & Stakeholdering ¹¹				\$0	\$0
Process and Market Evaluation ¹¹				\$0	\$0
Research and Development Costs				\$949,046	\$949,046
Research Innovation Fund ¹²				\$949,046	\$949,046
Market Data ¹¹				\$0	\$0
Other				\$309,425	\$309,425
Achievable Potential Study				\$267,199	\$267,199
Energy Literacy				\$0	\$0
Integrated Resource Planning				\$46,946	\$46,946
Miscellaneous Admin				-\$4,720	-\$4,720
Open Bill Project				\$0	\$0
Portfolio Subtotal	\$0	\$0	\$0	\$11,411,465	\$11,411,465
Total	\$68,793,007	\$12,982,893	\$0	\$24,538,035	\$106,313,936

2017 DSM Actual Spend	Incentive Costs	Promotion Costs	Delivery Costs ¹	Admin Costs ²	2017 Total
Residential Program	\$37,754,432	\$7,745,106	\$0	\$4,204,679	\$49,704,218
Residential Whole Home	\$36,413,673	\$7,606,546			\$44,020,216
Residential Single Measure ³	\$0	\$0			\$0
Residential Smart Home	\$1,340,759	\$138,560			\$1,479,319
Low Income Program	\$11,192,389	\$5,484,985	\$0	\$2,029,308	\$18,706,682
Home Winterproofing	\$6,035,878	\$4,936,478			\$10,972,356
Affordable Housing Multi-Residential	\$5,156,510	\$548,507			\$5,705,017
Commercial Program	\$12,188,022	\$3,690,745	\$0	\$3,311,619	\$19,190,386
Commercial Custom ⁴	\$4,960,679	\$1,345,499			\$6,306,179
Prescriptive Downstream ⁵	\$4,644,977	\$1,670,740			\$6,315,717
Direct Install	\$2,582,365	\$674,506			\$3,256,871
Prescriptive Midstream ⁶	\$0	\$0			\$0
Industrial Program	\$10,401,668	\$699,066	\$0	\$2,687,428	\$13,788,162
Industrial Custom ⁷	\$10,401,668	\$699,066			\$11,100,735
Large Volume Program	\$2,114,335	\$12,870	\$0	\$495,557	\$2,622,762
Direct Access ⁸	\$2,114,335	\$12,870			\$2,127,205
Energy Performance Program ³	\$0	\$0	\$0		\$0
Whole Building Pay For Performance (P4P)	\$0	\$0			\$0
Building Beyond Code Program	\$5,624,320	\$1,727,766	\$0	\$1,029,655	\$8,381,741
Residential Savings by Design	\$3,484,586	\$731,697			\$4,216,284
Commercial Savings by Design	\$1,398,409	\$578,438			\$1,976,846
Affordable Housing Savings By Design	\$741,325	\$417,631			\$1,158,956
Commercial Air Tightness Testing ³	\$0	\$0			\$0
Low Carbon Transition Program ³	\$0	\$0	\$0		\$0
Residential Low Carbon	\$0	\$0			\$0
Commercial Low Carbon	\$0	\$0			\$0
Market Transformation & Energy Management Programs ⁹	\$577,902	\$1,579,621	\$0	\$613,925	\$2,771,448
School Energy Competition	\$97,340	\$363,055			\$460,396
Run It Right / RunSmart	\$147,156	\$436,673			\$583,829
Comprehensive / Strategic Energy Management	\$37,720	\$390,252			\$427,972
Optimum Home	\$295,685	\$389,641			\$685,326
Home Labelling (2015)	\$0	\$0			\$0
2015-2022 Other ⁹	\$229,938	\$151,036	\$0	\$38,114	\$419,088
Energy Savings Kits (2015)	\$0	\$0			\$0
Furnace End-of-Life (2016-2022)	\$127,600	\$41,190			\$168,790
Indigenous (2016-2022)	\$102,338	\$109,846			\$212,185
My Home Health Record (2015)	\$0	\$0			\$0
Program Subtotal	\$80,083,005	\$21,091,195	\$0	\$14,410,285	\$115,584,485
Administration Costs				\$5,477,140	\$5,477,140
Portfolio Administration ²				\$2,911,324	\$2,911,324
System Maintenance & Improvements ¹⁰				\$2,565,816	\$2,565,816
Municipal Engagement ¹¹				\$0	\$0
Evaluation and Regulatory Costs				\$4,231,599	\$4,231,599
EM&V				\$4,231,599	\$4,231,599
Regulatory & Stakeholdering ¹¹				\$0	\$0
Process and Market Evaluation ¹¹				\$0	\$0
Research and Development Costs				\$1,332,768	\$1,332,768
Research Innovation Fund ¹²				\$1,332,768	\$1,332,768
Market Data ¹¹				\$0	\$0
Other				\$318,558	\$318,558
Achievable Potential Study				\$0	\$0
Energy Literacy				\$126,325	\$126,325
Integrated Resource Planning				\$192,233	\$192,233
Miscellaneous Admin				\$0	\$0
Open Bill Project				\$0	\$0
Portfolio Subtotal	\$0	\$0	\$0	\$11,360,064	\$11,360,064
Total	\$80,083,005	\$21,091,195	\$0	\$25,770,349	\$126,944,549

2018 DSM Actual Spend	Incentive Costs	Promotion Costs	Delivery Costs ¹	Admin Costs ²	2018 Total
Residential Program	\$44,387,095	\$4,642,465	\$0	\$4,065,963	\$53,095,523
<i>Residential Whole Home</i>	\$43,059,030	\$4,392,103			\$47,451,133
<i>Residential Single Measure³</i>	\$0	\$0			\$0
<i>Residential Smart Home</i>	\$1,328,065	\$250,362			\$1,578,427
Low Income Program	\$12,522,219	\$6,603,648	\$0	\$2,317,934	\$21,443,801
<i>Home Winterproofing</i>	\$6,286,794	\$5,810,219			\$12,097,013
<i>Affordable Housing Multi-Residential</i>	\$6,235,425	\$793,429			\$7,028,854
Commercial Program	\$13,804,710	\$2,467,458	\$0	\$3,431,082	\$19,703,249
<i>Commercial Custom⁴</i>	\$6,442,233	\$831,569			\$7,273,802
<i>Prescriptive Downstream⁵</i>	\$4,661,432	\$1,255,343			\$5,916,775
<i>Direct Install</i>	\$2,701,044	\$380,546			\$3,081,590
<i>Prescriptive Midstream⁶</i>	\$0	\$0			\$0
Industrial Program	\$9,053,171	\$595,191	\$0	\$2,606,124	\$12,254,487
<i>Industrial Custom⁷</i>	\$9,053,171	\$595,191			\$9,648,362
Large Volume Program	\$2,340,899	\$162	\$0	\$480,819	\$2,821,881
<i>Direct Access⁸</i>	\$2,340,899	\$162			\$2,341,061
Energy Performance Program⁹	\$0	\$0	\$0		\$0
<i>Whole Building Pay For Performance (P4P)</i>	\$0	\$0			\$0
Building Beyond Code Program	\$6,200,457	\$2,032,324	\$0	\$1,064,703	\$9,297,484
<i>Residential Savings by Design</i>	\$3,641,542	\$615,503			\$4,257,045
<i>Commercial Savings by Design</i>	\$1,632,578	\$590,967			\$2,223,545
<i>Affordable Housing Savings By Design</i>	\$926,337	\$825,853			\$1,752,191
<i>Commercial Air Tightness Testing³</i>	\$0	\$0			\$0
Low Carbon Transition Program³	\$0	\$0	\$0		\$0
<i>Residential Low Carbon</i>	\$0	\$0			\$0
<i>Commercial Low Carbon</i>	\$0	\$0			\$0
Market Transformation & Energy Management Programs⁹	\$769,282	\$1,752,796	\$0	\$620,924	\$3,143,001
<i>School Energy Competition</i>	\$57,747	\$191,021			\$248,768
<i>Run It Right / RunSmart</i>	\$189,441	\$564,447			\$753,888
<i>Comprehensive / Strategic Energy Management</i>	\$43,094	\$629,133			\$672,227
<i>Optimum Home</i>	\$479,000	\$368,194			\$847,194
<i>Home Labelling (2015)</i>	\$0	\$0			\$0
2015-2022 Other⁹	\$81,965	\$92,639	\$0	\$17,930	\$192,534
<i>Energy Savings Kits (2015)</i>	\$0	\$0			\$0
<i>Furnace End-of-Life (2016-2022)</i>	\$0	\$0			\$0
<i>Indigenous (2016-2022)</i>	\$81,965	\$92,639			\$174,604
<i>My Home Health Record (2015)</i>	\$0	\$0			\$0
Program Subtotal	\$89,159,798	\$18,186,682	\$0	\$14,605,481	\$121,951,961
Administration Costs				\$6,393,820	\$6,393,820
<i>Portfolio Administration²</i>				\$3,858,510	\$3,858,510
<i>System Maintenance & Improvements¹⁰</i>				\$2,535,310	\$2,535,310
<i>Municipal Engagement¹¹</i>				\$0	\$0
Evaluation and Regulatory Costs				\$3,991,926	\$3,991,926
<i>EM&V</i>				\$3,991,926	\$3,991,926
<i>Regulatory & Stakeholdering¹¹</i>				\$0	\$0
<i>Process and Market Evaluation¹¹</i>				\$0	\$0
Research and Development Costs				\$1,568,715	\$1,568,715
<i>Research Innovation Fund¹²</i>				\$1,568,715	\$1,568,715
<i>Market Data¹¹</i>				\$0	\$0
Other				\$1,370,965	\$1,370,965
<i>Achievable Potential Study</i>				\$0	\$0
<i>Energy Literacy</i>				\$467,107	\$467,107
<i>Integrated Resource Planning</i>				\$82,464	\$82,464
<i>Miscellaneous Admin</i>				\$0	\$0
<i>Open Bill Project</i>				\$821,395	\$821,395
				\$0	\$0
Portfolio Subtotal	\$0	\$0	\$0	\$13,325,426	\$13,325,426
Total	\$89,159,798	\$18,186,682	\$0	\$27,930,906	\$135,277,387

See notes on final page

2019 DSM Actual Spend	Incentive Costs	Promotion Costs	Delivery Costs ¹	Admin Costs ²	2019 Total
Residential Program	\$47,245,920	\$3,899,177	\$0	\$4,078,394	\$55,223,490
<i>Residential Whole Home</i>	\$45,815,010	\$3,421,662			\$49,236,671
<i>Residential Single Measure³</i>	\$0	\$0			\$0
<i>Residential Smart Home</i>	\$1,430,910	\$477,516			\$1,908,426
Low Income Program	\$15,750,922	\$6,522,965	\$0	\$1,996,968	\$24,270,854
<i>Home Winterproofing</i>	\$10,416,934	\$5,979,739			\$16,396,673
<i>Affordable Housing Multi-Residential</i>	\$5,333,988	\$543,226			\$5,877,214
Commercial Program	\$14,221,739	\$1,820,167	\$0	\$2,813,559	\$18,855,464
<i>Commercial Custom⁴</i>	\$4,604,869	\$913,571			\$5,518,440
<i>Prescriptive Downstream⁵</i>	\$3,757,142	\$867,216			\$4,624,359
<i>Direct Install</i>	\$5,859,728	\$39,379			\$5,899,107
<i>Prescriptive Midstream⁶</i>	\$0	\$0			\$0
Industrial Program	\$10,592,909	\$295,114	\$0	\$2,501,842	\$13,389,866
<i>Industrial Custom⁷</i>	\$10,592,909	\$295,114			\$10,888,024
Large Volume Program	\$2,684,479	\$131	\$0	\$403,996	\$3,088,606
<i>Direct Access⁸</i>	\$2,684,479	\$131			\$2,684,610
Energy Performance Program⁹	\$0	\$0	\$0		\$0
<i>Whole Building Pay For Performance (P4P)</i>	\$0	\$0			\$0
Building Beyond Code Program	\$6,410,031	\$1,907,215	\$0	\$944,756	\$9,262,002
<i>Residential Savings by Design</i>	\$3,535,740	\$642,664			\$4,178,404
<i>Commercial Savings by Design</i>	\$1,754,794	\$661,745			\$2,416,538
<i>Affordable Housing Savings By Design</i>	\$1,119,497	\$602,806			\$1,722,304
<i>Commercial Air Tightness Testing³</i>	\$0	\$0			\$0
Low Carbon Transition Program³	\$0	\$0	\$0		\$0
<i>Residential Low Carbon</i>	\$0	\$0			\$0
<i>Commercial Low Carbon</i>	\$0	\$0			\$0
Market Transformation & Energy Management Programs⁹	\$819,593	\$1,467,813	\$0	\$634,726	\$2,922,132
<i>School Energy Competition</i>	\$16,500	\$238,913			\$255,413
<i>Run It Right / RunSmart</i>	\$227,837	\$454,138			\$681,976
<i>Comprehensive / Strategic Energy Management</i>	\$16,856	\$515,969			\$532,825
<i>Optimum Home</i>	\$558,400	\$258,793			\$817,193
<i>Home Labelling (2015)</i>	\$0	\$0			\$0
2015-2022 Other⁹	\$284,763	\$79,210	\$0	\$24,692	\$388,666
<i>Energy Savings Kits (2015)</i>	\$0	\$0			\$0
<i>Furnace End-of-Life (2016-2022)</i>	\$30,525	\$5,550			\$36,075
<i>Indigenous (2016-2022)</i>	\$254,238	\$73,660			\$327,899
<i>My Home Health Record (2015)</i>	\$0	\$0			\$0
Program Subtotal	\$98,010,356	\$15,991,794	\$0	\$13,398,933	\$127,401,082
Administration Costs				\$3,883,607	\$3,883,607
<i>Portfolio Administration²</i>				\$3,541,362	\$3,541,362
<i>System Maintenance & Improvements¹⁰</i>				\$342,245	\$342,245
<i>Municipal Engagement¹¹</i>				\$0	\$0
Evaluation and Regulatory Costs				\$4,456,427	\$4,456,427
<i>EM&V</i>				\$4,456,427	\$4,456,427
<i>Regulatory & Stakeholdering¹¹</i>				\$0	\$0
<i>Process and Market Evaluation¹¹</i>				\$0	\$0
Research and Development Costs				\$2,227,737	\$2,227,737
<i>Research Innovation Fund¹²</i>				\$2,227,737	\$2,227,737
<i>Market Data¹¹</i>				\$0	\$0
Other				\$478,892	\$478,892
<i>Achievable Potential Study</i>				\$185,200	\$185,200
<i>Energy Literacy</i>				\$0	\$0
<i>Integrated Resource Planning</i>				\$288,724	\$288,724
<i>Miscellaneous Admin</i>				\$0	\$0
<i>Open Bill Project</i>				\$4,968	\$4,968
				\$0	\$0
Portfolio Subtotal	\$0	\$0	\$0	\$11,046,663	\$11,046,663
Total	\$98,010,356	\$15,991,794	\$0	\$24,445,596	\$138,447,745

2020 DSM Actual Spend (Draft Audit)	Incentive Costs	Promotion Costs	Delivery Costs ¹	Admin Costs ²	2020 Total
Residential Program	\$42,401,580	\$2,884,747	\$0	\$4,273,162	\$49,559,489
<i>Residential Whole Home</i>	\$40,078,808	\$2,197,411			\$42,276,219
<i>Residential Single Measure³</i>	\$0	\$0			\$0
<i>Residential Smart Home</i>	\$2,322,772	\$687,336			\$3,010,108
Low Income Program	\$13,183,712	\$5,830,409	\$0	\$1,874,104	\$20,888,226
<i>Home Winterproofing</i>	\$8,147,303	\$5,382,747			\$13,530,050
<i>Affordable Housing Multi-Residential</i>	\$5,036,409	\$447,663			\$5,484,072
Commercial Program	\$11,811,443	\$1,640,582	\$0	\$2,632,678	\$16,084,703
<i>Commercial Custom⁴</i>	\$7,280,758	\$521,711			\$7,802,469
<i>Prescriptive Downstream⁵</i>	\$2,240,130	\$867,136			\$3,107,265
<i>Direct Install</i>	\$2,290,556	\$251,735			\$2,542,291
<i>Prescriptive Midstream⁶</i>	\$0	\$0			\$0
Industrial Program	\$8,441,531	\$430,102	\$0	\$2,476,936	\$11,348,569
<i>Industrial Custom⁷</i>	\$8,441,531	\$430,102			\$8,871,633
Large Volume Program	\$2,887,016	\$34,632	\$0	\$416,851	\$3,338,499
<i>Direct Access⁸</i>	\$2,887,016	\$34,632			\$2,921,648
Energy Performance Program⁹	\$0	\$0	\$0		\$0
<i>Whole Building Pay For Performance (P4P)</i>	\$0	\$0			\$0
Building Beyond Code Program	\$5,947,716	\$1,331,371	\$0	\$892,249	\$8,171,336
<i>Residential Savings by Design</i>	\$2,811,727	\$514,707			\$3,326,434
<i>Commercial Savings by Design</i>	\$1,987,481	\$246,188			\$2,233,669
<i>Affordable Housing Savings By Design</i>	\$1,148,508	\$570,476			\$1,718,984
<i>Commercial Air Tightness Testing³</i>	\$0	\$0			\$0
Low Carbon Transition Program³	\$0	\$0	\$0		\$0
<i>Residential Low Carbon</i>	\$0	\$0			\$0
<i>Commercial Low Carbon</i>	\$0	\$0			\$0
Market Transformation & Energy Management Programs⁹	\$543,602	\$860,345	\$0	\$597,687	\$2,001,634
<i>School Energy Competition</i>	\$12,000	\$56,748			\$68,748
<i>Run It Right / RunSmart</i>	\$93,602	\$166,976			\$260,578
<i>Comprehensive / Strategic Energy Management</i>	\$10,000	\$469,100			\$479,100
<i>Optimum Home</i>	\$428,000	\$167,522			\$595,522
<i>Home Labelling (2015)</i>	\$0	\$0			\$0
2015-2022 Other⁹	\$0	\$66,900	\$0	\$4,686	\$71,586
<i>Energy Savings Kits (2015)</i>	\$0	\$0			\$0
<i>Furnace End-of-Life (2016-2022)</i>	\$0	\$0			\$0
<i>Indigenous (2016-2022)</i>	\$0	\$66,900			\$66,900
<i>My Home Health Record (2015)</i>	\$0	\$0			\$0
Program Subtotal	\$85,216,600	\$13,079,088	\$0	\$13,168,353	\$111,464,042
Administration Costs				\$3,374,634	\$3,374,634
<i>Portfolio Administration²</i>				\$3,374,634	\$3,374,634
<i>System Maintenance & Improvements¹⁰</i>				\$0	\$0
<i>Municipal Engagement¹¹</i>				\$0	\$0
Evaluation and Regulatory Costs				\$2,020,398	\$2,020,398
<i>EM&V</i>				\$2,020,398	\$2,020,398
<i>Regulatory & Stakeholdering¹¹</i>				\$0	\$0
<i>Process and Market Evaluation¹¹</i>				\$0	\$0
Research and Development Costs				\$2,171,436	\$2,171,436
<i>Research Innovation Fund¹²</i>				\$2,171,436	\$2,171,436
<i>Market Data¹¹</i>				\$0	\$0
Other				\$6,225	\$6,225
<i>Achievable Potential Study</i>				\$0	\$0
<i>Energy Literacy</i>				\$0	\$0
<i>Integrated Resource Planning</i>				\$0	\$0
<i>Miscellaneous Admin</i>				\$0	\$0
<i>Open Bill Project</i>				\$6,225	\$6,225
				\$0	\$0
Portfolio Subtotal	\$0	\$0	\$0	\$7,572,694	\$7,572,694
Total	\$85,216,600	\$13,079,088	\$0	\$20,741,047	\$119,036,736

2021 DSM Forecasted Spend ¹⁶	Incentive Costs	Promotion Costs	Delivery Costs ¹	Admin Costs ²	2021 Total
Residential Program	\$44,781,642	\$3,549,603	\$0	\$4,646,667	\$52,977,912
Residential Whole Home	\$42,411,977	\$2,574,620			\$44,986,597
Residential Single Measure ³	\$0	\$0			\$0
Residential Smart Home	\$2,369,664	\$974,983			\$3,344,647
Low Income Program	\$16,065,933	\$7,330,764	\$0	\$2,094,348	\$25,491,045
Home Winterproofing	\$10,849,600	\$5,794,300			\$16,643,900
Affordable Housing Multi-Residential	\$5,216,333	\$1,536,464			\$6,752,797
Commercial Program	\$18,297,500	\$2,709,500	\$0	\$3,549,877	\$24,556,877
Commercial Custom ⁴	\$9,679,500	\$1,150,500			\$10,830,000
Prescriptive Downstream ⁵	\$3,154,000	\$1,354,000			\$4,508,000
Direct Install	\$5,464,000	\$205,000			\$5,669,000
Prescriptive Midstream ⁶	\$0	\$0			\$0
Industrial Program	\$7,860,000	\$190,000	\$0	\$2,026,661	\$10,076,661
Industrial Custom ⁷	\$7,860,000	\$190,000			\$8,050,000
Large Volume Program	\$3,000,000	\$150,000	\$0	\$422,958	\$3,572,958
Direct Access ⁸	\$3,000,000	\$150,000			\$3,150,000
Energy Performance Program ⁹	\$0	\$0	\$0	\$0	\$0
Whole Building Pay For Performance (P4P)	\$0	\$0			\$0
Building Beyond Code Program	\$5,220,100	\$1,843,678	\$0	\$855,861	\$7,919,639
Residential Savings by Design	\$3,023,000	\$801,128			\$3,824,128
Commercial Savings by Design	\$1,185,500	\$429,500			\$1,615,000
Affordable Housing Savings By Design	\$1,011,600	\$613,050			\$1,624,650
Commercial Air Tightness Testing ³	\$0	\$0			\$0
Low Carbon Transition Program ⁹	\$0	\$0	\$0	\$0	\$0
Residential Low Carbon	\$0	\$0			\$0
Commercial Low Carbon	\$0	\$0			\$0
Market Transformation & Energy Management Programs ⁹	\$307,300	\$696,329	\$0	\$591,655	\$1,595,284
School Energy Competition	\$0	\$0			\$0
Run It Right / RunSmart	\$142,300	\$277,700			\$420,000
Comprehensive / Strategic Energy Management	\$165,000	\$205,000			\$370,000
Optimum Home	\$0	\$213,629			\$213,629
Home Labelling (2015)	\$0	\$0			\$0
2015-2022 Other ⁹	\$0	\$0	\$0	\$0	\$0
Energy Savings Kits (2015)	\$0	\$0			\$0
Furnace End-of-Life (2016-2022)	\$0	\$0			\$0
Indigenous (2016-2022)	\$0	\$0			\$0
My Home Health Record (2015)	\$0	\$0			\$0
Program Subtotal	\$95,532,475	\$16,469,874	\$0	\$14,188,026	\$126,190,374
Administration Costs				\$3,951,718	\$3,951,718
Portfolio Administration ²				\$3,951,718	\$3,951,718
System Maintenance & Improvements ¹⁰				\$0	\$0
Municipal Engagement ¹¹				\$0	\$0
Evaluation and Regulatory Costs				\$2,474,316	\$2,474,316
EM&V				\$2,474,316	\$2,474,316
Regulatory & Stakeholdering ¹¹				\$0	\$0
Process and Market Evaluation ¹¹				\$0	\$0
Research and Development Costs				\$2,398,663	\$2,398,663
Research Innovation Fund ¹²				\$2,398,663	\$2,398,663
Market Data ¹¹				\$0	\$0
Other				\$0	\$0
Achievable Potential Study				\$0	\$0
Energy Literacy				\$0	\$0
Integrated Resource Planning				\$0	\$0
Miscellaneous Admin				\$0	\$0
Open Bill Project				\$0	\$0
Portfolio Subtotal	\$0	\$0	\$0	\$8,824,697	\$8,824,697
Total	\$95,826,175	\$16,176,174	\$0	\$23,012,723	\$135,015,071

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2022 DSM OEB Approved Budget ¹³	Incentive Costs ¹⁴	Promotion Costs ¹⁴	Delivery Costs ¹	Admin Costs ²	2022 Total
Residential Program	\$34,716,070		\$0	\$3,738,125	\$38,454,195
Residential Whole Home	\$30,953,200	\$0			\$30,953,200
Residential Single Measure ³	\$0	\$0			\$0
Residential Smart Home	\$3,762,870	\$0			\$3,762,870
Low Income Program	\$22,651,212		\$0	\$2,770,568	\$25,421,780
Home Winterproofing	\$15,110,859	\$0			\$15,110,859
Affordable Housing Multi-Residential	\$7,540,353	\$0			\$7,540,353
Commercial Program	\$25,228,652		\$0	\$4,937,438	\$30,166,090
Commercial Custom ⁴ ¹⁵	\$8,305,957	\$0			\$8,305,957
Prescriptive Downstream ⁵	\$9,472,114	\$0			\$9,472,114
Direct Install	\$7,450,581	\$0			\$7,450,581
Prescriptive Midstream ⁶	\$0	\$0			\$0
Industrial Program	\$8,913,828		\$0	\$2,137,387	\$11,051,215
Industrial Custom ⁷ ¹⁵	\$8,913,828	\$0			\$8,913,828
Large Volume Program	\$3,150,000		\$0	\$787,000	\$3,937,000
Direct Access ⁸	\$3,150,000	\$0			\$3,150,000
Energy Performance Program ⁹	\$0		\$0	\$0	\$0
Whole Building Pay For Performance (P4P)	\$0	\$0			\$0
Building Beyond Code Program	\$6,970,924		\$0	\$903,491	\$7,874,415
Residential Savings by Design	\$3,392,296	\$0			\$3,392,296
Commercial Savings by Design	\$2,122,068	\$0			\$2,122,068
Affordable Housing Savings By Design	\$1,456,560	\$0			\$1,456,560
Commercial Air Tightness Testing ³	\$0	\$0			\$0
Low Carbon Transition Program ⁹	\$0		\$0	\$0	\$0
Residential Low Carbon	\$0	\$0			\$0
Commercial Low Carbon	\$0	\$0			\$0
Market Transformation & Energy Management Programs ⁹	\$3,433,971		\$0	\$850,852	\$4,284,823
School Energy Competition	\$520,200	\$0			\$520,200
Run It Right / RunSmart	\$629,209	\$0			\$629,209
Comprehensive / Strategic Energy Management	\$1,443,562	\$0			\$1,443,562
Optimum Home	\$841,000	\$0			\$841,000
Home Labelling (2015)	\$0	\$0			\$0
2015-2022 Other ⁹	\$1,365,000		\$0	\$146,680	\$1,511,680
Energy Savings Kits (2015)	\$0	\$0			\$0
Furnace End-of-Life (2016-2022)	\$917,000	\$0			\$917,000
Indigenous (2016-2022)	\$448,000	\$0			\$448,000
My Home Health Record (2015)	\$0	\$0			\$0
Program Subtotal	\$106,429,657		\$0	\$16,271,541	\$122,701,198
Administration Costs				\$3,842,000	\$3,842,000
Portfolio Administration ²				\$2,842,000	\$2,842,000
System Maintenance & Improvements ¹⁰				\$1,000,000	\$1,000,000
Municipal Engagement ¹¹				\$0	\$0
Evaluation and Regulatory Costs				\$4,520,056	\$4,520,056
EM&V				\$4,520,056	\$4,520,056
Regulatory & Stakeholdering ¹¹				\$0	\$0
Process and Market Evaluation ¹¹				\$0	\$0
Research and Development Costs				\$2,543,663	\$2,543,663
Research Innovation Fund ¹²				\$2,543,663	\$2,543,663
Market Data ¹¹				\$0	\$0
Other				\$0	\$0
Achievable Potential Study				\$0	\$0
Energy Literacy				\$0	\$0
Integrated Resource Planning				\$0	\$0
Miscellaneous Admin				\$0	\$0
Open Bill Project				\$0	\$0
Portfolio Subtotal			\$0	\$10,905,719	\$10,905,719
Total	\$106,429,657		\$0	\$27,177,260	\$133,606,917

2023 DSM Budget Item	Incentive Costs	Promotion Costs	Delivery Costs	Admin Costs	2023 Total
Residential Program	\$32,484,644	\$3,148,484	\$3,591,449	\$1,680,225	\$40,804,802
Residential Whole Home	\$26,140,935	\$1,527,894	\$2,961,089		\$30,629,918
Residential Single Measure	\$3,557,834	\$804,590	\$255,000		\$4,617,424
Residential Smart Home	\$2,785,875	\$816,000	\$375,360		\$3,977,235
Low Income Program	\$15,615,383	\$3,345,600	\$2,553,060	\$1,473,642	\$22,987,685
Home Winterproofing	\$9,511,755	\$2,499,000	\$2,364,360		\$14,375,115
Affordable Housing Multi-Residential	\$6,103,628	\$846,600	\$188,700		\$7,138,928
Commercial Program	\$17,931,274	\$1,233,078	\$2,354,815	\$3,743,608	\$25,262,775
Commercial Custom	\$10,944,600	\$619,650	\$331,580		\$11,895,830
Prescriptive Downstream	\$2,140,029	\$133,008	\$163,200		\$2,436,237
Direct Install	\$4,326,363	\$276,420	\$163,200		\$4,765,983
Prescriptive Midstream	\$520,282	\$204,000	\$1,696,835		\$2,421,117
Industrial Program	\$13,464,000	\$408,000	\$0	\$3,956,114	\$17,828,114
Industrial Custom	\$13,464,000	\$408,000	\$0		\$13,872,000
Large Volume Program	\$2,499,000	\$51,000	\$0	\$216,624	\$2,766,624
Direct Access	\$2,499,000	\$51,000	\$0		\$2,550,000
Energy Performance Program	\$637,500	\$30,000	\$450,000	\$104,156	\$1,221,656
Whole Building Pay For Performance (P4P)	\$637,500	\$30,000	\$450,000		\$1,117,500
Building Beyond Code Program	\$2,818,600	\$1,393,432	\$3,702,900	\$522,571	\$8,437,503
Residential Savings by Design	\$1,600,000	\$900,000	\$1,557,500		\$4,057,500
Commercial Savings by Design	\$0	\$200,000	\$1,036,000		\$1,236,000
Affordable Housing Savings By Design	\$993,600	\$160,000	\$984,400		\$2,138,000
Commercial Air Tightness Testing	\$225,000	\$133,432	\$125,000		\$483,432
Low Carbon Transition Program ¹⁷	\$3,965,550	\$421,611	\$0	\$203,680	\$4,590,841
Residential Low Carbon	\$2,436,750	\$264,444	\$0		\$2,701,194
Commercial Low Carbon	\$1,528,800	\$157,167	\$0		\$1,685,967
Market Transformation & Energy Management Programs ⁹	\$0	\$0	\$0	\$0	\$0
School Energy Competition	\$0	\$0	\$0		\$0
Run It Right / RunSmart	\$0	\$0	\$0		\$0
Comprehensive / Strategic Energy Management	\$0	\$0	\$0		\$0
Optimum Home	\$0	\$0	\$0		\$0
Home Labelling (2015)	\$0	\$0	\$0		\$0
2015-2022 Other ⁹	\$0	\$0	\$0	\$0	\$0
Energy Savings Kits (2015)	\$0	\$0	\$0		\$0
Furnace End-of-Life (2016-2022)	\$0	\$0	\$0		\$0
Indigenous (2016-2022)	\$0	\$0	\$0		\$0
My Home Health Record (2015)	\$0	\$0	\$0		\$0
Program Subtotal	\$89,415,951	\$10,031,205	\$12,652,224	\$11,800,620	\$123,900,000
Administration Costs				\$11,252,522	\$11,252,522
Portfolio Administration				\$8,569,922	\$8,569,922
System Maintenance & Improvements				\$1,020,000	\$1,020,000
Municipal Engagement				\$1,662,600	\$1,662,600
Evaluation and Regulatory Costs				\$3,876,000	\$3,876,000
EM&V				\$2,652,000	\$2,652,000
Regulatory & Stakeholdering				\$714,000	\$714,000
Process and Market Evaluation				\$510,000	\$510,000
Research and Development Costs				\$3,231,478	\$3,231,478
Research Innovation Fund				\$2,601,000	\$2,601,000
Market Data				\$630,478	\$630,478
Other ²⁰				\$0	\$0
Achievable Potential Study				\$0	\$0
Energy Literacy				\$0	\$0
Integrated Resource Planning				\$0	\$0
Miscellaneous Admin				\$0	\$0
Open Bill Project				\$0	\$0
Portfolio Subtotal				\$18,360,000	\$18,360,000
Total	\$89,415,951	\$10,031,205	\$12,652,224	\$30,160,620	\$142,260,000

2024 DSM Budget Item	Incentive Costs	Promotion Costs	Delivery Costs	Admin Costs	2024 Total
Residential Program	\$33,172,339	\$3,401,790	\$3,676,728	\$1,611,830	\$41,762,686
<i>Residential Whole Home</i>	\$26,701,756	\$1,748,788	\$2,933,761		\$31,384,304
<i>Residential Single Measure</i>	\$3,628,990	\$820,682	\$260,100		\$4,709,772
<i>Residential Smart Home</i>	\$2,841,593	\$832,320	\$382,867		\$4,066,780
Low Income Program	\$15,927,691	\$3,412,512	\$2,604,121	\$1,503,115	\$23,447,439
<i>Home Winterproofing</i>	\$9,701,990	\$2,548,980	\$2,411,647		\$14,662,617
<i>Affordable Housing Multi-Residential</i>	\$6,225,701	\$863,532	\$192,474		\$7,281,707
Commercial Program	\$18,289,899	\$1,257,740	\$2,315,362	\$3,763,241	\$26,626,242
<i>Commercial Custom</i>	\$11,163,492	\$632,043	\$251,662		\$12,047,197
<i>Prescriptive Downstream</i>	\$2,182,830	\$135,668	\$166,464		\$2,484,962
<i>Direct Install</i>	\$4,412,890	\$281,948	\$166,464		\$4,861,302
<i>Prescriptive Midstream</i>	\$530,688	\$208,080	\$1,730,772		\$2,469,540
Industrial Program	\$13,733,280	\$416,160	\$0	\$4,035,236	\$18,184,676
<i>Industrial Custom</i>	\$13,733,280	\$416,160	\$0		\$14,149,440
Large Volume Program	\$2,548,980	\$52,020	\$0	\$220,957	\$2,821,957
<i>Direct Access</i>	\$2,548,980	\$52,020	\$0		\$2,601,000
Energy Performance Program	\$637,500	\$30,000	\$450,000	\$105,239	\$1,222,739
<i>Whole Building Pay For Performance (P4P)</i>	\$637,500	\$30,000	\$450,000		\$1,117,500
Building Beyond Code Program	\$3,579,200	\$1,107,231	\$4,327,800	\$532,123	\$9,546,354
<i>Residential Savings by Design</i>	\$2,150,000	\$650,000	\$1,915,000		\$4,715,000
<i>Commercial Savings by Design</i>	\$0	\$200,000	\$1,147,000		\$1,347,000
<i>Affordable Housing Savings By Design</i>	\$1,159,200	\$160,000	\$1,140,800		\$2,460,000
<i>Commercial Air Tightness Testing</i>	\$270,000	\$97,231	\$125,000		\$492,231
Low Carbon Transition Program¹⁸	\$6,605,120	\$670,033	\$0	\$207,754	\$7,482,907
<i>Residential Low Carbon</i>	\$4,762,720	\$512,866	\$0		\$5,275,586
<i>Commercial Low Carbon</i>	\$1,842,400	\$157,167	\$0		\$1,999,567
Market Transformation & Energy Management Programs⁹	\$0	\$0	\$0	\$0	\$0
<i>School Energy Competition</i>	\$0	\$0	\$0		\$0
<i>Run It Right / RunSmart</i>	\$0	\$0	\$0		\$0
<i>Comprehensive / Strategic Energy Management</i>	\$0	\$0	\$0		\$0
<i>Optimum Home</i>	\$0	\$0	\$0		\$0
<i>Home Labelling (2015)</i>	\$0	\$0	\$0		\$0
2015-2022 Other⁹	\$0	\$0	\$0	\$0	\$0
<i>Energy Savings Kits (2015)</i>	\$0	\$0	\$0		\$0
<i>Furnace End-of-Life (2016-2022)</i>	\$0	\$0	\$0		\$0
<i>Indigenous (2016-2022)</i>	\$0	\$0	\$0		\$0
<i>My Home Health Record (2015)</i>	\$0	\$0	\$0		\$0
Program Subtotal	\$94,494,009	\$10,347,485	\$13,274,011	\$11,979,495	\$130,095,000
Administration Costs				\$11,477,572	\$11,477,572
<i>Portfolio Administration</i>				\$8,741,320	\$8,741,320
<i>System Maintenance & Improvements</i>				\$1,040,400	\$1,040,400
<i>Municipal Engagement</i>				\$1,695,852	\$1,695,852
Evaluation and Regulatory Costs				\$3,953,520	\$3,953,520
<i>EM&V</i>				\$2,705,040	\$2,705,040
<i>Regulatory & Stakeholding</i>				\$728,280	\$728,280
<i>Process and Market Evaluation</i>				\$520,200	\$520,200
Research and Development Costs				\$3,296,108	\$3,296,108
<i>Research Innovation Fund</i>				\$2,653,020	\$2,653,020
<i>Market Data</i>				\$643,088	\$643,088
Other²⁰				\$0	\$0
<i>Achievable Potential Study</i>				\$0	\$0
<i>Energy Literacy</i>				\$0	\$0
<i>Integrated Resource Planning</i>				\$0	\$0
<i>Miscellaneous Admin</i>				\$0	\$0
<i>Open Bill Project</i>				\$0	\$0
Portfolio Subtotal				\$18,727,200	\$18,727,200
Total	\$94,494,009	\$10,347,485	\$13,274,011	\$30,706,695	\$148,822,200

See notes on final page

2025 DSM Budget	Incentive Costs	Promotion Costs	Delivery Costs	Admin Costs	2025 Total
Residential Program	\$33,835,785	\$3,469,825	\$3,648,262	\$1,644,067	\$42,597,940
<i>Residential Whole Home</i>	\$27,235,791	\$1,783,763	\$2,992,436		\$32,011,990
<i>Residential Single Measure</i>	\$3,701,570	\$837,096	\$265,302		\$4,803,967
<i>Residential Smart Home</i>	\$2,898,425	\$848,966	\$390,525		\$4,137,916
Low Income Program	\$16,246,244	\$3,480,762	\$2,656,204	\$1,533,177	\$23,916,388
<i>Home Winterproofing</i>	\$9,896,030	\$2,599,959	\$2,459,880		\$14,955,869
<i>Affordable Housing Multi-Residential</i>	\$6,350,215	\$880,803	\$196,323		\$7,427,341
Commercial Program	\$18,655,697	\$1,282,894	\$2,361,669	\$3,838,506	\$26,138,767
<i>Commercial Custom</i>	\$11,386,762	\$644,684	\$256,695		\$12,288,141
<i>Prescriptive Downstream</i>	\$2,226,487	\$138,381	\$169,793		\$2,534,661
<i>Direct Install</i>	\$4,501,148	\$287,587	\$169,793		\$4,958,528
<i>Prescriptive Midstream</i>	\$541,301	\$212,242	\$1,765,387		\$2,518,931
Industrial Program	\$14,007,946	\$424,483	\$0	\$4,115,941	\$18,548,370
<i>Industrial Custom</i>	\$14,007,946	\$424,483	\$0		\$14,432,429
Large Volume Program	\$2,599,960	\$53,060	\$0	\$225,376	\$2,878,396
<i>Direct Access</i>	\$2,599,960	\$53,060	\$0		\$2,653,020
Energy Performance Program	\$650,250	\$30,600	\$459,000	\$107,344	\$1,247,194
<i>Whole Building Pay For Performance (P4P)</i>	\$650,250	\$30,600	\$459,000		\$1,139,850
Building Beyond Code Program¹⁹	\$4,508,341	\$1,394,662	\$5,451,274	\$542,765	\$11,897,043
<i>Residential Savings by Design</i>					
<i>Commercial Savings by Design</i>					
<i>Affordable Housing Savings By Design</i>					
<i>Commercial Air Tightness Testing</i>					
Low Carbon Transition Program¹⁹	\$8,319,774	\$843,970	\$0	\$211,909	\$9,375,653
<i>Residential Low Carbon</i>					
<i>Commercial Low Carbon</i>					
Market Transformation & Energy Management Programs⁹	\$0	\$0	\$0	\$0	\$0
<i>School Energy Competition</i>	\$0	\$0	\$0		\$0
<i>Run It Right / RunSmart</i>	\$0	\$0	\$0		\$0
<i>Comprehensive / Strategic Energy Management</i>	\$0	\$0	\$0		\$0
<i>Optimum Home</i>	\$0	\$0	\$0		\$0
<i>Home Labelling (2015)</i>	\$0	\$0	\$0		\$0
2015-2022 Other⁹	\$0	\$0	\$0	\$0	\$0
<i>Energy Savings Kits (2015)</i>	\$0	\$0	\$0		\$0
<i>Furnace End-of-Life (2016-2022)</i>	\$0	\$0	\$0		\$0
<i>Indigenous (2016-2022)</i>	\$0	\$0	\$0		\$0
<i>My Home Health Record (2015)</i>	\$0	\$0	\$0		\$0
Program Subtotal	\$98,823,998	\$10,980,258	\$14,576,409	\$12,219,085	\$136,599,750
Administration Costs				\$11,707,123	\$11,707,123
<i>Portfolio Administration</i>				\$8,916,147	\$8,916,147
<i>System Maintenance & Improvements</i>				\$1,061,208	\$1,061,208
<i>Municipal Engagement</i>				\$1,729,769	\$1,729,769
Evaluation and Regulatory Costs				\$4,032,590	\$4,032,590
<i>EM&V</i>				\$2,759,141	\$2,759,141
<i>Regulatory & Stakeholding</i>				\$742,846	\$742,846
<i>Process and Market Evaluation</i>				\$530,604	\$530,604
Research and Development Costs				\$3,362,030	\$3,362,030
<i>Research Innovation Fund</i>				\$2,706,080	\$2,706,080
<i>Market Data</i>				\$655,950	\$655,950
Other²⁰				\$0	\$0
<i>Achievable Potential Study</i>				\$0	\$0
<i>Energy Literacy</i>				\$0	\$0
<i>Integrated Resource Planning</i>				\$0	\$0
<i>Miscellaneous Admin</i>				\$0	\$0
<i>Open Bill Project</i>				\$0	\$0
Portfolio Subtotal				\$19,101,744	\$19,101,744
Total	\$98,823,998	\$10,980,258	\$14,576,409	\$31,320,829	\$155,701,494

2026 DSM Budget	Incentive Costs	Promotion Costs	Delivery Costs	Admin Costs	2026 Total
Residential Program	\$34,512,501	\$3,539,222	\$3,721,228	\$1,676,948	\$43,449,899
<i>Residential Whole Home</i>	\$27,780,507	\$1,819,439	\$3,052,285		\$32,652,230
<i>Residential Single Measure</i>	\$3,775,601	\$853,838	\$270,608		\$4,900,047
<i>Residential Smart Home</i>	\$2,956,393	\$865,946	\$398,335		\$4,220,674
Low Income Program	\$16,571,169	\$3,550,378	\$2,709,328	\$1,563,841	\$24,394,716
<i>Home Winterproofing</i>	\$10,093,951	\$2,651,958	\$2,509,078		\$15,254,987
<i>Affordable Housing Multi-Residential</i>	\$6,477,219	\$898,419	\$200,250		\$7,575,888
Commercial Program	\$19,028,811	\$1,308,552	\$2,408,902	\$3,915,276	\$26,661,542
<i>Commercial Custom</i>	\$11,614,497	\$657,578	\$261,829		\$12,533,903
<i>Prescriptive Downstream</i>	\$2,271,016	\$141,149	\$173,189		\$2,585,354
<i>Direct Install</i>	\$4,591,171	\$293,339	\$173,189		\$5,057,699
<i>Prescriptive Midstream</i>	\$552,127	\$216,487	\$1,800,695		\$2,569,309
Industrial Program	\$14,288,105	\$432,973	\$0	\$4,198,260	\$18,919,337
<i>Industrial Custom</i>	\$14,288,105	\$432,973	\$0		\$14,721,077
Large Volume Program	\$2,651,959	\$54,122	\$0	\$229,884	\$2,935,964
<i>Direct Access</i>	\$2,651,959	\$54,122	\$0		\$2,706,080
Energy Performance Program	\$663,255	\$31,212	\$468,180	\$109,491	\$1,272,138
<i>Whole Building Pay For Performance (P4P)</i>	\$663,255	\$31,212	\$468,180		\$1,162,647
Building Beyond Code Program¹⁸	\$5,498,943	\$1,701,107	\$6,649,063	\$553,621	\$14,402,734
<i>Residential Savings by Design</i>					
<i>Commercial Savings by Design</i>					
<i>Affordable Housing Savings By Design</i>					
<i>Commercial Air Tightness Testing</i>					
Low Carbon Transition Program¹⁹	\$10,147,849	\$1,029,413	\$0	\$216,147	\$11,393,409
<i>Residential Low Carbon</i>					
<i>Commercial Low Carbon</i>					
Market Transformation & Energy Management Programs⁹	\$0	\$0	\$0	\$0	\$0
<i>School Energy Competition</i>	\$0	\$0	\$0		\$0
<i>Run It Right / RunSmart</i>	\$0	\$0	\$0		\$0
<i>Comprehensive / Strategic Energy Management</i>	\$0	\$0	\$0		\$0
<i>Optimum Home</i>	\$0	\$0	\$0		\$0
<i>Home Labelling (2015)</i>	\$0	\$0	\$0		\$0
2015-2022 Other⁹	\$0	\$0	\$0	\$0	\$0
<i>Energy Savings Kits (2015)</i>	\$0	\$0	\$0		\$0
<i>Furnace End-of-Life (2016-2022)</i>	\$0	\$0	\$0		\$0
<i>Indigenous (2016-2022)</i>	\$0	\$0	\$0		\$0
<i>My Home Health Record (2015)</i>	\$0	\$0	\$0		\$0
Program Subtotal	\$103,362,593	\$11,646,977	\$15,956,701	\$12,463,467	\$143,429,738
Administration Costs				\$11,941,266	\$11,941,266
<i>Portfolio Administration</i>				\$9,094,469	\$9,094,469
<i>System Maintenance & Improvements</i>				\$1,082,432	\$1,082,432
<i>Municipal Engagement</i>				\$1,764,364	\$1,764,364
Evaluation and Regulatory Costs				\$4,113,242	\$4,113,242
<i>EM&V</i>				\$2,814,324	\$2,814,324
<i>Regulatory & Stakeholding</i>				\$757,703	\$757,703
<i>Process and Market Evaluation</i>				\$541,216	\$541,216
Research and Development Costs				\$3,429,271	\$3,429,271
<i>Research Innovation Fund</i>				\$2,760,202	\$2,760,202
<i>Market Data</i>				\$669,069	\$669,069
Other²⁰				\$0	\$0
<i>Achievable Potential Study</i>				\$0	\$0
<i>Energy Literacy</i>				\$0	\$0
<i>Integrated Resource Planning</i>				\$0	\$0
<i>Miscellaneous Admin</i>				\$0	\$0
<i>Open Bill Project</i>				\$0	\$0
Portfolio Subtotal				\$19,483,779	\$19,483,779
Total	\$103,362,593	\$11,646,977	\$15,956,701	\$31,947,246	\$162,913,517

2027 DSM Budget	Incentive Costs	Promotion Costs	Delivery Costs	Admin Costs	2027 Total
Residential Program	\$35,202,751	\$3,610,006	\$3,795,652	\$1,710,487	\$44,318,896
Residential Whole Home	\$28,336,117	\$1,855,827	\$3,113,330		\$33,305,274
Residential Single Measure	\$3,851,113	\$870,914	\$276,020		\$4,998,048
Residential Smart Home	\$3,015,521	\$883,265	\$406,302		\$4,305,087
Low Income Program	\$16,902,593	\$3,621,385	\$2,763,514	\$1,595,118	\$24,882,610
Home Winterproofing	\$10,295,830	\$2,704,998	\$2,559,259		\$15,560,086
Affordable Housing Multi-Residential	\$6,606,763	\$916,388	\$204,255		\$7,727,406
Commercial Program	\$19,409,388	\$1,334,723	\$2,457,080	\$3,993,582	\$27,194,773
Commercial Custom	\$11,846,787	\$670,729	\$267,065		\$12,784,581
Prescriptive Downstream	\$2,316,437	\$143,972	\$176,653		\$2,637,062
Direct Install	\$4,682,994	\$299,206	\$176,653		\$5,158,853
Prescriptive Midstream	\$563,170	\$220,817	\$1,836,709		\$2,620,696
Industrial Program	\$14,573,867	\$441,632	\$0	\$4,282,225	\$19,297,724
Industrial Custom	\$14,573,867	\$441,632	\$0		\$15,015,499
Large Volume Program	\$2,704,998	\$55,204	\$0	\$234,481	\$2,994,683
Direct Access	\$2,704,998	\$55,204	\$0		\$2,760,202
Energy Performance Program	\$676,520	\$31,836	\$477,544	\$111,680	\$1,297,580
Whole Building Pay For Performance (P4P)	\$676,520	\$31,836	\$477,544		\$1,185,900
Building Beyond Code Program ¹⁸	\$6,554,379	\$2,027,607	\$7,925,247	\$564,693	\$17,071,926
Residential Savings by Design					
Commercial Savings by Design					
Affordable Housing Savings By Design					
Commercial Air Tightness Testing					
Low Carbon Transition Program ¹⁹	\$12,095,569	\$1,226,992	\$0	\$220,470	\$13,543,032
Residential Low Carbon					
Commercial Low Carbon					
Market Transformation & Energy Management Programs ⁹	\$0	\$0	\$0	\$0	\$0
School Energy Competition	\$0	\$0	\$0		\$0
Run It Right / RunSmart	\$0	\$0	\$0		\$0
Comprehensive / Strategic Energy Management	\$0	\$0	\$0		\$0
Optimum Home	\$0	\$0	\$0		\$0
Home Labelling (2015)	\$0	\$0	\$0		\$0
2015-2022 Other ⁹	\$0	\$0	\$0	\$0	\$0
Energy Savings Kits (2015)	\$0	\$0	\$0		\$0
Furnace End-of-Life (2016-2022)	\$0	\$0	\$0		\$0
Indigenous (2016-2022)	\$0	\$0	\$0		\$0
My Home Health Record (2015)	\$0	\$0	\$0		\$0
Program Subtotal	\$108,120,065	\$12,349,387	\$17,419,037	\$12,712,736	\$150,601,225
Administration Costs				\$12,180,092	\$12,180,092
Portfolio Administration			\$9,276,360		\$9,276,360
System Maintenance & Improvements			\$1,104,081		\$1,104,081
Municipal Engagement			\$1,799,652		\$1,799,652
Evaluation and Regulatory Costs				\$4,195,507	\$4,195,507
EM&V			\$2,870,610		\$2,870,610
Regulatory & Stakeholdering			\$772,857		\$772,857
Process and Market Evaluation			\$552,040		\$552,040
Research and Development Costs				\$3,497,856	\$3,497,856
Research Innovation Fund			\$2,815,406		\$2,815,406
Market Data			\$682,450		\$682,450
Other ²⁰				\$0	\$0
Achievable Potential Study				\$0	\$0
Energy Literacy				\$0	\$0
Integrated Resource Planning				\$0	\$0
Miscellaneous Admin				\$0	\$0
Open Bill Project				\$0	\$0
				\$0	\$0
Portfolio Subtotal				\$19,873,455	\$19,873,455
Total	\$108,120,065	\$12,349,387	\$17,419,037	\$32,586,192	\$170,474,680

ENBRIDGE GAS INC.

Answer to Interrogatory from
Ontario Energy Board (STAFF)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, p. 16, Table 9

Question(s):

Enbridge Gas outlines the split between funding for large and small commercial customers in the Commercial program from 2023-2027 in Table 9.

- a) Please discuss the rationale for proposing similar annual budgets for large and small commercial customers.

Response

- a) It is the Company's position that the annual budgets for large and small commercial customers are not similar. As shown below and in Table 9 in Exhibit D, Tab 1, Schedule 1, page 16, the large commercial customer budget is approximately 24% greater than the small commercial customer budget.

Table 9: Large/Small Commercial Forecast

Forecast for the Large-Small Commercial Scorecard ¹					
Commercial Metric	2023	2024	2025	2026	2027
Large (>100,000 m3) Cust. Annual Gas Savings (m ³) ²	\$11,939,228	\$12,108,773	\$12,350,948	\$12,597,967	\$12,849,926
Small (<100,000 m3) Cust. Annual Gas Savings (m ³) ²	\$9,579,939	\$9,754,228	\$9,949,312	\$10,148,299	\$10,351,265
Subtotal	\$21,519,167	\$21,863,001	\$22,300,261	\$22,746,266	\$23,201,191

1. Includes Incentive, Promotion and Delivery Cost Categories.

2. Large commercial customers have a 3-year average annual consumption greater than/or equal to 100,000 m3/yr. Small commercial customers are below 100,000 m3/yr.

The proposed budgets for large and small commercial customers were developed by establishing budgets for each commercial offer, and then allocating each offer's budget between large and small commercial customers based on how the respective offers are targeted. Direct Install and Prescriptive Midstream primarily target small customers, with the larger proportion of their budgets therefore attributed to that segment, whereas Commercial Custom and Prescriptive Downstream primarily target large customers with the larger proportion of their budgets attributed to that segment.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Ontario Energy Board (STAFF)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, p. 18, Table 11

Question(s):

Enbridge Gas has outlined its proposed staffing levels for 2023 and 2024 including proposed full-time equivalent staffing levels for each of its proposed program and where not able to allocate directly to a program, at the portfolio level.

- a) Please discuss the proposal to dedicate 0.5 FTEs to the Energy Performance Program. In your response, please discuss the ability of 0.5 FTE will have in ensuring this program is successful, has proposed levels of participation and achieves the results that Enbridge Gas has proposed. Please also discuss how Enbridge Gas will avoid the lower than anticipated levels of activity from its legacy Energy Performance offerings as part of the 2015-2021 term.
- b) Please discuss if, and how, resources from one program are shared and reallocated during a program year. In your response, please indicate if there are any programs that are first priority to share resources with other programs should they be required. For example, if more assistance is required on the Low Income Multi-Family offering, resources from the Commercial program that have worked on the Custom Commercial offering are considered first due to the similarity in offering elements.
- c) In Table 12, Enbridge Gas highlights that an additional 9.8 FTEs are added to the 2023 budget over and above that which was approved for 2021. Please list and describe the specific titles, roles and average compensation levels for each of the incremental LTEs proposed.
- d) Please discuss the roles, responsibilities and activities that the proposed 61 FTEs included in the portfolio subtotal will undertake.
- e) Enbridge Gas discusses the new work it plans to undertake with Municipalities in their coordination and development of community energy plans and has

dedicated one FTE to this work. Please discuss if additional resources from other programs will be required to ensure adequate resources are available to conduct a significant amount of data analysis and analytics required, which Enbridge Gas has indicated is new analysis not previously conducted, manage relationships with municipalities representatives (of which there are 340 in the province), work directly with staff at various municipalities and ensure sufficient reporting and documentation.

- f) Please discuss and provide documentation that shows the cost of third-party consultant work Enbridge Gas has retained in each year from 2015-2021 in support of its DSM efforts, the scope of each consultant's work, the term they have been retained for and the costs for each contract.
- g) Please discuss the relationship between the size of each proposed program and the staffing levels required to administer each program. In your response, please discuss the impact of increasing activity on each program (spending and results), and at what point are additional staff or how staffing levels scale with the size of each program.
- h) Please discuss and provide documentation that show the areas of the DSM portfolio where costs are largely fixed and are not subject to changes in the level of programming, including any fixed costs related to staffing and resources.
- i) Please provide a table (or two tables, one for each legacy utility), similar to the one below, that provides information from 2015-2021 (2021 estimate or draft if required) that shows the OEB-approved staffing costs, actual staffing costs and the variance (by program if available).

	2015			2016			(2017-2021 Program years...)
	Approved Budget	Actual Spending	Variance	Approved Budget	Actual Spending	Variance	
Residential Program							
Commercial Program							
Low-Income Program							
(All other programs and portfolio level)							

- j) Please discuss what happens to any staffing amounts above or below budget.

- k) Please discuss the compensation package provided to staff working on DSM, including available incentives and bonuses related to meeting scorecard targets, achieving certain shareholder incentive thresholds and any other incentives available to staff. Please also discuss if non-DSM employees also receive any form of compensation, for example through bonuses, as a result of the achievement of annual DSM scorecard targets.
- l) Please provide an expanded version of the table at Exhibit D, Tab 1, Schedule 1, Attachment 1, p. 1 (the response to Exhibit I.STAFF.4 from the 2021 DSM proceeding). In the expanded table, please include information for the 2023 program year and list all proposed DSM staffing roles, under each program and at the portfolio level (similar to how Figure 1 at Exhibit D, Tab 1, Schedule 1, p. 19 is shown), the assigned title to each staff, a brief description of their role and responsibility and the average base compensation level for all DSM personnel, and the average maximum available annual incentive or bonus available for all DSM personnel

Response

- a) The proposal for 0.5 FTE was to ensure staff was assigned to manage the program, including but not limited to managing contracts and relationships with 3rd party delivery agent(s), developing required marketing material and forms, coordinating with internal Energy Solutions Advisors (“ESAs”) to actively engage potential participants, reviewing eligibility and applications, monitoring and tracking budgets and savings. The resources to deliver this program will be largely outsourced to a third party to ensure the Program receives sufficient attention.

The Energy Performance Program integrates learnings from earlier Energy Performance initiatives and legacy offerings by incorporating a mix of engagement elements and incremental technical support to address key barriers in achieving deep savings. Additionally, stakeholdering was completed on the offer concept for input and feedback on the design. It is expected the offering has been designed with reasonable targets and factors in lessons learned and stakeholdering to allow for success in achieving the proposed level of participation and results within a targeted segment.

- b) The allocation of resources generally stays fairly consistent throughout the year, as all groups have challenging targets and require all their resources to achieve their targets. As such, resource reallocation is generally on an ad-hoc basis, driven by a specific need such as higher or lower uptake in a program than expected. The process is that a specific group may indicate a need for additional resources or an availability of resources to the management team.

Once a need or availability is identified, prioritization of where resources come from or go is based primarily on two key considerations. The first, is the skill set of the resource. Resources will only be reallocated to an area where their skill set is a match. The example cited in the question of a commercial advisor, helping on low-income multi-family would be a good example of a match. Conversely, a resource without a technical background would not be considered to support complex industrial projects. The second consideration is impact to overall achievements. If a resource is available, consideration would be given to where they could be deployed to drive the most results given their skill set. If a resource is required, consideration would be given to where they could be reallocated from with the least impact to results. Even if a resource could drive more gas savings in one area, consideration would be given to ensure Enbridge Gas is achieving its balanced objectives, such as broad participation.

- c) The incremental FTEs are broken down in Table 1 below

Table 1

Number of Roles	Title	Program/Portfolio	Average Compensation
1	Advisor Program Design	Residential	\$ 95,000
1	Advisor Program Design	Commercial	\$ 95,000
1	Advisor Program Design	Low Income	\$ 95,000
3	Sr Advisor Energy Solutions	Industrial	\$109,000
1	Sr Advisor Program QA/QC	Industrial	\$109,000
2	Sr Advisor Program Design	Low Carbon	\$109,000
1	Sr Advisor Business Intelligence	Portfolio	\$109,000

An outline of the roles can be found in Exhibit D, Tab 1, Schedule 1 pages 22 to 26

- d) The 61 FTEs in the portfolio subtotal are made up of roles in the following areas that provide broad support to energy conservation rather than support to specific programs.

Management: Includes the Energy Conservation leadership team that provides overall leadership and management of all Energy Conservation activities.

Policy & Strategy: Responsible for energy conservation policies and strategy, including leading energy conservation regulatory filings and supporting program teams on any policy issues. Leads stakeholder engagement as well as support for external studies such as the Achievable Potential Study.

Technology (Subset of CI Program Design, Technology and QA/QC): Technical support including TRM technical work, pilots, research and innovation work.

Audit, Evaluation, Tracking and Reporting: Responsible for tracking and reporting of all Energy Conservation results, including support of the tracking systems. Responsible for all evaluation related activities, including program support, development of the annual report and lead for clearances and deferrals.

Municipal Engagement: Supports municipalities who are developing Climate Change Action Plans ("CCAP's") and Municipal Energy Plans ("MEP") to align existing energy conservation programs with the goal set out in their plans.

- e) As stated in Exhibit E Tab 4 Schedule 1 Page 4, 12, Enbridge Gas formed a new Municipal Energy Solutions team in 2020. There are 3.5 FTE's dedicated to working with Municipalities developing CCCAP's or MEP's and the corresponding community-specific goals. Enbridge Gas's proposal is to add 1 FTE to perform the data analysis and analytics' being requested by municipalities as they develop short and long-term objectives and highlight key emitting factors the municipality would like to target; bringing the total to 4.5 FTE's dedicated to working on energy planning and conservation programs with municipalities. As we undertake to engage Municipalities and align our program with their key objectives, DSM program specialists will also assist.
- f) Based on the tracking within Enbridge Gas's financial systems of costs recorded as "consulting costs", the table below summarizes the total charges per year.

Table 2: DSM Enbridge Gas "Consulting Costs"

2015	2016	2017	2018	2019	2020	2021*
\$2,134,812	\$2,860,449	\$3,086,462	\$2,962,081	\$1,829,622	\$1,771,487	\$526,269

*September 30, 2021 YTD

In reviewing the transactions above, the balances contained various expense types, including work with 3rd party consultants and partners, as well as 3rd party contractors and delivery agents, all in support of the delivery & execution of DSM programming.

As there are 174 different third-party vendors that Enbridge Gas made payments to in the above, and many of these vendors would have multiple payments, the task of investigating each underlying payment to determine a comprehensive list of consulting engagements cannot be completed in a timely manner for this IR response.

- g) The relationship between the size of each proposed program and the staffing levels required to administer each program are provided in the following:

Residential

The Residential Program includes 3 offers; Whole Home, Single Measure and Smart Home (see Exhibit E, Tab 1, Schedule 2, page 8).

The Whole Home and Smart Home offers are delivered through third parties, thus the existing staffing levels for program management, marketing and customer outreach to support these offers is sufficient.

The Single Measure offer is a new offering in the 2023-2027 DSM plan and will be delivered through a participating contractor network (see Exhibit E, Tab 1, Schedule 2, page 16). Staffing details associated with the development of these industry partners channels are contained in Exhibit D, Tab 1, Schedule 1, page 23.

Building Beyond Code

Results for the Residential Savings by Design offering are driven through engaging builders and developers to participate in the integrated design process. Increasing participation does require greater effort on the part of Enbridge Gas ESAs and it is estimated that doubling beyond current levels would require an additional ESA to support.

Building Beyond Code

Results for the Affordable Housing Savings by Design offering are driven through engaging builders and developers to participate in the integrated design process. Increasing participation does require greater effort on the part of Enbridge Gas ESAs and it is estimated that doubling beyond current levels would require an additional ESA to support.

Low Income

The Low Income Program includes two existing offers; Home Winterproofing and Affordable Housing Multi-Residential (see Exhibit E, Tab1, Schedule 3, page 5).

The Home Winterproofing offer is delivered through third party Delivery Agents and thus the existing staffing levels for program management, marketing and customer outreach to support these offers are sufficient.

The Affordable Housing Multi-Residential offer drives results through a combination of marketing/promotional efforts and the direct interaction of Enbridge Gas ESAs and business partners to customers. The sensitivity analysis in Exhibit I.6.EGI.STAFF13c provides details of when additional staff are required in this sector.

Staffing details associated with the development of additional industry partner channels are also contained in Exhibit D, Tab 1, Schedule 1, page 23.

Commercial

Commercial results are primarily driven by the Commercial Custom offering. This offering is delivered by ESAs who work directly with customers and service providers to influence efficiency projects through the identification, quantification and prioritization of optimal solutions for facilities. Since custom results are generated by projects, which are supported by ESAs, the capability to increase projects and natural gas savings scale upwards with ESA staffing levels. However, as articulated in the sensitivity analysis (Exhibit I.6.EGI.STAFF.13c), adding incremental headcount is not anticipated to yield the same result per capita as what was initially filed.

Results associated with the Prescriptive Midstream offer are driven through mid-market actors who influence downstream customers and contractors. The offer is delivered by a third party. As a result, existing staffing levels for program management and marketing support are sufficient to support growth in activity and results.

Growth in results associated with the Direct Install and Prescriptive Downstream offerings will require broader engagement with service providers across Ontario, as outlined in Exhibit D, Tab 1, Schedule 1, Page 23 of 26, Paragraph 27. Enbridge Gas has estimated that one new FTE in the Commercial sector would be required to support the results associated with these offerings. The Sensitivity analysis (Exhibit I.6.EGI.STAFF.13c) also provides insight into the incremental headcount associated with increasing results.

Industrial

Industrial results are driven by the Industrial Custom offering, which is delivered by Enbridge Gas ESAs. As articulated in Exhibit D, Tab 1, Schedule 1, page 24 of 26, paragraph 28, the resources required to support the offering correlate to the number of projects, not the savings attributed to the project and will therefore require incremental resourcing to both work with customers and to provide the quality control and assurance through project evaluation. The sensitivity analysis in the response to Exhibit I.6.EGI.STAFF.13c provides an indication of additional staffing requirements to accommodate incremental results.

Large Volume

Results in the Direct Access offer are generated through the direct interaction of Enbridge Gas ESAs and customers. Given the small set of customers who

participate in this offer, the achievement of incremental results would not require an increase to staffing levels.

Energy Performance Program

The Whole Building P4P offer is new for 2023 and expected to be delivered by a third party. As such, existing staffing levels for program management, marketing and customer outreach are sufficient to support growth in this offer.

Building Beyond Code

Results for the Commercial Savings by Design offering are driven through engaging builders and developers to participate in the integrated design process. Increasing participation does require greater effort on the part of Enbridge Gas ESAs and it is estimated that doubling participation beyond current levels would require an additional ESA to support.

Low Carbon Program

The Residential Low Carbon offer is new, and achievement of participation and unit targets will likely rely on a third party. As such, varying levels of achievement are not expected to impact staffing requirements. Achievement of participation and unit targets for the Commercial Low Carbon offer will rely primarily on the efforts of Enbridge Gas ESAs, who have existing relationships with target customers and service providers. Since results will be generated by projects, which are supported by Enbridge Gas ESAs, the capability to increase projects scale upwards exists with ESA staffing levels.

- h) The following provides a description of the areas in the DSM portfolio where costs are largely fixed, that is, not subject to modest changes in the level of programming:
- Program Admin Costs, which includes staffing tied to the design and administration of the program
 - Portfolio Administration Costs, which includes staffing to administer the portfolio, system maintenance and improvement, and municipal engagement
 - Evaluation and Regulatory Costs, which includes EM&V, Process and Market Evaluation and Regulatory.
 - R&D Costs, which includes money spent on research, innovation, and market data.
 -

It should be noted that while these costs are relatively fixed for moderate changes in the level of programming, significant changes to the level of programming would result in changes to these fixed costs. For example, if the budget were doubled, we would expect to see these costs change, although the impact would not be linear.

Other cost categories, such as Program Incentives, Promotion and Delivery Costs as well as Delivery staff costs would scale with the level of programming although these costs would not scale linearly either. For additional information see the response at Exhibit I.6.EGI.STAFF.13c.

- i) The OEB has approved administrative costs, which include staffing costs, but there are no OEB approved staffing costs. For actual staffing costs, please see the response to Exhibit I.6.EGI.EP.4. As there are no approved staffing costs, a variance cannot be provided.
- j) As per the response to i), there are no OEB approved staffing costs. For information on how over or underspending of budgets is treated, please see the section on the DSMVA at Exhibit C, Tab 1, Schedule 1, pages 50 to 51.
- k) The compensation package for all Enbridge Gas employees, which includes DSM employees, consists of base pay and a Short Term Incentive Plan ("STIP"). A compensation grade structure with defined base pay ranges (minimums and maximums) provides a framework for base pay as each role is assigned to a grade. STIP targets are also determined by the assigned grade for each role. STIP is an annual cash-based incentive plan that rewards company, business unit and individual performance over a one-year period. Each year goals are set across the company, within each business unit, and at an individual level to create alignment on business priorities that will help us achieve high levels of success. All manager level roles, and higher, also participate in a Long-Term Incentive Plan ("LTIP"). LTIP is focused on rewarding the achievement of our company's long-term goals, or strategic objectives. These long-term goals, such as growing our business, take several years to achieve. LTIP consists of stock option and share unit plans. The compensation package supports the attraction, engagement and retention of all Enbridge Gas employees, including DSM employees.

There are no non-DSM employees compensated based on achieving DSM objectives.

- l) For the expanded table at Exhibit D, Tab 1, Schedule 1, Attachment 1, page 1, please see the response to Exhibit I.6.EGI.EP.4.

As there are over 150 DSM Staff, it is not practical and it would raise issues of individual privacy and commercial sensitivity to list each title and a description of their role, and the associated compensation. Table 3 below provides a breakdown of the various roles in the DSM group, including an estimate of the average compensation by group in 2023. Groups have been combined when there were less than 5 people in a group in order to ensure the privacy of individuals compensation.

Table 3

Group	Employees	Average Salary
Director/Manager	8	\$170,000
Supervisor/Team Lead	25	\$124,000
Specalist/Sr Advisor	39	\$109,000
Advisor	55	\$95,000
Sr Analyst	8	\$93,000
Analyst/Coordinator/Admin	15	\$63,000

For details on incentives for DSM personnel, please see the response to part k above.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Question(s):

For each year 2022-2027 please provide the overall annual DSM cost for an average residential consumer in both the EGD and Union Gas rate zones. Please include Program Costs, Portfolio Costs, and the maximum available shareholder incentive amounts.

Response:

Please see response to Exhibit I.7.STAFF.17a.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Exhibit B, Tab 1, Schedule 1, page 12

Question(s):

Please provide a Table in the same format as Table 1:2022-2027 Six-Year Budget Envelope for the 2015-2021 period.

Response:

2015 to 2021 DSM Multi Year Plan Portfolio Budget							
	2015	2016	2017	2018	2019	2020	2021
Program Budget	\$60,504,833	\$97,354,542	\$110,416,082	\$119,575,624	\$118,862,382	\$121,201,199	\$121,201,199
Portfolio Admin, Evaluation, Research & Development ¹	\$10,023,672	\$15,827,948	\$11,087,835	\$11,250,768	\$10,828,164	\$10,905,719	\$10,905,719
Inflation	\$1,181,606	\$0	\$0	\$0	\$0	\$0	\$0
Total Budget Envelope ²	\$71,710,111	\$113,182,490	\$121,503,917	\$130,826,392	\$129,690,546	\$132,106,917	\$132,106,917

¹ The Portfolio Admin, Evaluation, Research & Development Budgets did not include the same components in the Enbridge Gas and Union rate zones.

² The total budget shown for 2019 to 2021 does not include \$1.5 million for the Residential Adaptive Thermostat offering proposed through the Mid-Term Review.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Exhibit B, Tab 1, Schedule 1, page 11

Question(s):

The evidence states that 2% is the proxy for future inflation through the DSM Plan. The inflation factor will be adjusted as part of the annual rates proceeding in accordance with the Consumer Price Index. How will the CPI number for each year be determined? Why did EGI decide to use CPI as the inflation factor/escalator? What other options were considered?

Response:

Please see response to Exhibit I.6.EGI.LPMA.3.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Exhibit B, Tab 1, Schedule 1, page 12

Question(s):

Please recast Table 1: 2022-2027 Six-Year DSM Budget Envelope and include the projected maximum shareholder incentive payment amounts for each year.

Response:

Please see the following table recast to include the maximum shareholder incentive payment amounts in the year the respective shareholder incentive opportunity would be calculated.

Five Year 2023+ DSM Multi Year Plan Portfolio Budget					
	2023 Base Year	2024	2025	2026	2027
Program Budget	\$123,900,000	\$130,095,000	\$136,599,750	\$143,429,738	\$150,601,225
	<i>Formulaic increase of 5% (3% policy growth + CPI inflation) over year prior</i>				
Portfolio Admin, Evaluation, Research & Development	\$18,360,000	\$18,727,200	\$19,101,744	\$19,483,779	\$19,873,455
	<i>Formulaic increase of CPI inflation over year prior</i>				
Total Budget Envelope	\$142,260,000	\$148,822,200	\$155,701,494	\$162,913,517	\$170,474,680
Total Maximum Shareholder Incentive	\$19,890,000	\$21,087,800	\$20,693,556	\$21,107,427	\$27,729,576

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, pages 8-15

Question(s):

The evidence sets out detailed budgets for each of the years of the plan:

- a. Please describe, in detail, how the program budgets for each sector were developed.
- b. How did EGI determine how much to allocate to each sector?
- c. Please explain how the forecast Administration Costs, Evaluation and Regulatory Costs and Research and Development Costs were derived.

Response:

- a) Please see Attachment 1 to this interrogatory response which provides details regarding how program budgets and targets were established.
- b) In the December 1, 2020 DSM Letter the OEB communicated it “anticipates modest budget increases to be proposed by Enbridge Gas.”¹ Accordingly, as outlined in evidence at Exhibit B, Tab 1, Schedule 1, page 6:

To be responsive to the OEB’s direction, the DSM Plan originally filed proposed a 2022 base year budget with a 2.95% increase over the OEB approved 2021 budget, balancing near term COVID-19 related bill impacts with modest increases to assist customers in managing their energy bills. Thereafter, proposed program budgets formulaically increase by 3% over inflation, with portfolio overheads held to only inflation increases for the 2023-2027 period. This focuses the year-over-year increases on the programming directed to help customers manage their energy bills and demonstrates the Company’s commitment to cost-effective program delivery. In the wake of the Board’s decision directing a 2022 budget (and programming) unchanged from 2021, Enbridge Gas’s application and corresponding budget proposals have been

¹ EB-2019-0003, OEB Letter Post-2020 Natural Gas Demand Side Management Framework (December 1, 2020), p. 3.

adjusted to simply remove the 2022 program year and begin in 2023, with 2023 now the base year for a five year term. Enbridge Gas maintains that the budgets originally proposed, escalated as described above, remain appropriate for the revised 2023-2027 plan period.

For 2023 therefore, as summarized in Table 1 at Exhibit B, Tab 1, Schedule 1, page 13, Enbridge Gas is proposing a 2023 base year budget of approximately \$142 million for the first year of its 2023-2027 DSM Plan, including a program budget of approximately \$124.

Enbridge Gas maintained adherence to the OEB's guidance in consideration of sector allocations. As such, budget determinations were made based on the goal of modest changes at a sector level from the previous OEB-approved budgets, with the aim of also ensuring modest bill impacts year over year. As such the Residential/Low Income program budget increases by approximately 6% in 2023 when compared to 2021 (and 2022) and the Commercial/Industrial budget increases by approximately 6.5% in 2023 over 2021 (and 2022). With a preliminary budget allocation established at the sector level, the program teams undertook an iterative process to determine program budgets

- c) Exhibit D, Tab 1, Schedule 1, describes the overall budget envelope and formulaic approach to budget increases over the term, with summary tables for each year of the proposed term, followed by some noted items. This section does not provide the details for each of the items, however Table 4, which shows the base year of the proposed DSM Plan, does contain an extra column on the left that shows reference to where more detailed information can be found on each of these cost categories.

Specifically for:

Administration Costs see Exhibit E, Tab 4, Schedule 1 and also see the response at Exhibit I.6.EGI.CCC.14;

Evaluation and Regulatory Costs see Exhibit E, Tab 4, Schedule 2; and

Research and Development Costs see Exhibit E, Tab 4, Schedule 3.

Program / Offer	2023 Target Rationale	2023 Budget Rationale
Residential Program Whole Home	Historical results and average energy savings per home were used to inform targets. Market insights gathered through consultation with internal and external stakeholders, as well as market research with customers were leveraged to inform opportunity and the proposed measure mix from which targets were built. Although the Canada Greener Homes Grant had been announced, details associated with the grant were released after targets for the DSM plan were filed.	Rebates awarded to participants make up the largest proportion of the budget. Average rebates were estimated based on historical rebate levels. Additional budgetary requirements associated with the offering include promotional, delivery and administrative resources necessary to support the achievement of the savings target.
Residential Program Single Measure	An assessment of the frequency of insulation measures in the Whole Home offering was used to inform insulation participant targets. Energy savings associated with each insulation measure were based on Enbridge Gas' exercise to roughly estimate individual measure savings. Capacity for Professional Air Sealing in Ontario was assessed, and early results from a pilot were leveraged to set Air Sealing participant and savings targets. Targets were further informed by: • Recognition of introduction of new offering • Consultation with key market actors such as delivery agents and contractors • Jurisdictional Scans to determine how key program elements compared with similar jurisdictions Although the Canada Greener Homes Grant had been announced, details associated with the grant were released after targets for the DSM plan were filed.	Measure rebates make up the greatest proportion of the budget: • Insulation rebates are based off of the Whole Home offering, discounted for insulation measures. • Professional air sealing rebates were based on early results from a pilot. Additional budgetary requirements of the offering include promotional, delivery and administrative resources. In particular, an incremental company resource was filed to support program administration of this offering.
Residential Program Smart Home	Historical results were used to inform participant targets and adjusted based on the forecasted IESO collaboration for moderate income customers. Savings targets are based on the Smart Thermostat measure in the TRM. Market research with customers and information from jurisdictional and market scans was also conducted to inform market opportunities and assess if additional gas savings measures could be added to the offering. Although the Canada Greener Homes Grant had been announced, details associated with the grant were released after targets for the DSM plan were filed.	Customer rebates represent the largest proportion of the budget. • Rebate incentives remained intact for the legacy offering, while an enhanced rebate for moderate income customers was introduced. Additional budgetary requirements associated with the offering include promotional, delivery and administrative resources necessary to support the achievement of the savings target.

Low Income Program Home Winterproofing	Historical results taken into consideration included average savings per home and measure mix to form the basis of targets. Additional market factors were then considered, including: • Sub segment opportunities including Indigenous on-reserve • Potential target market, past participants and do not qualify homes • Consultation with delivery agents, internal and external stakeholders to ensure alignment of market opportunities and challenges	Primary budget elements associated with the Home Winterproofing offering including incentive costs, promotional budget and delivery costs. • Promotional spend diversification will include targeting hard to reach sub-segments • Change in products costs to reflect current market value • Delivery costs are anticipated to be in line with historical spend
Low Income Program Affordable Housing Multi Residential	Historical results taken into consideration included average project size and measure mix to form the basis of targets. Targets were adjusted to: • Reflect adoption of best practices across legacy utilities, such as use of e-tools, matching of eligible measures, and incorporation of successful LTOs franchise wide. • Account for modifications to prescriptive and custom savings estimates resulting from changes in codes and standards and technical studies conducted • Consultation with delivery agents, internal and external stakeholders was conducted to ensure alignment with market opportunities and challenges	Financial incentives account for the majority of overall budget. Incentives have been harmonized across the L-EG and L-UG. • The other budget items represent a much smaller portion and include promotional and delivery spend necessary to support the achievement of the target set. • An incremental company resource to support the achievement of the savings target.
Commercial Program Commercial Custom	Historical results were used to set baseline savings targets and adjusted to: • reflect adoption of best practices across legacy utilities, such as use of e-tools, matching of eligible measures, and incorporation of successful LTOs franchise wide. • discount changes to baseline input assumptions associated with advancements in codes and standards • Incorporate NTG estimates based on best available information – leveraged a blended legacy utility NTG rate from the most recently performed NTG studies. Consultation with Energy Solutions Advisors, customers and service providers was also conducted to ensure forecasted savings targets aligned with market opportunities and challenges.	Budget was primarily driven by financial incentives awarded to customers to support the identification and implementation of energy efficiency measures in order to achieve 2023 targets. Factors directly impacting incremental spend over historical budgets included: • Higher overall incentives – (inclusive of average incentive \$/m³, LTOs and funding for third-party, assessments/studies). Incremental incentives proposed were to accommodate higher baselines due to advancements in codes and standards, and reflect customer feedback from Ipsos research study. • Forecasted incremental projects and results driven by the custom commercial offering. Marketing and promotional budget is in line with previous years.
Commercial Program Prescriptive Downstream	Past results were leveraged to set baseline savings targets, with consideration to participation levels at a sector and measure level; as well as variances in savings per measure based on building type and segment. Targets were adjusted to: • Discount measures moved midstream • Account for modifications to TRM savings estimates resulting from changes in codes and standards and technical studies conducted	Budgets were primarily driven by incentives associated with measure level unit projections. Factors directly impacting incremental spend over historical budget include: • Increased incentive levels from a per unit, LTO and service provider spiff perspective in an effort to increase uptake, based on research supported through jurisdictional scans and feedback from service providers and customers.

	- Consider potential introduction of new measures discovered through jurisdictional TRM review - Incorporate NTG estimates based on best available information – leveraged a blended legacy utility NTG rate from the most recently performed NTG studies. Targets were also informed by market research with customers and business partners to further understand opportunities and barriers	Promotional costs, including enhanced tools for engagement with service providers
Commercial Program Direct Install	Past results were leveraged to set baseline savings targets, including analysis of participation levels at a sector and measure level; as well as variances in savings per measure based on building type and segment, response rate to marketing, number of leads generated, number of quoted projects and the percentage of quoted projects converted to sales. Targets were adjusted to: - Discount measures moved midstream - Account for modifications to TRM savings estimates resulting from changes in codes and standards and technical studies conducted - Consider potential introduction of new measures discovered through jurisdictional TRM review Targets were also informed by market research with customers and business partners to further understand opportunities and barriers.	Budgets were primarily driven by incentives associated with measure level unit projections. Factors directly impacting budget included: - Incentive coverage of 75%-80% of equipment and installation costs, as outlined in the TRM - Addition of a company resource (Program Administrator) to support expansion of offering - Promotional costs, including budget needed to communicate new measure offers, development of training and sales tools for service providers
Commercial Program Prescriptive Midstream	Past results associated with proposed Midstream measures were leveraged to set baseline savings targets, with consideration to participation levels at a sector and measure level; as well as variances in savings per measure based on building type and segment. Targets were adjusted to: - reflect expansion of Foodservice measure offerings to TRM to include six new foodservices measures for 2022 - Account for modifications to TRM savings estimates resulting from changes in codes and standards and technical studies conducted Jurisdictional scans were leveraged to determine potential measures for introduction and general uptake of transitioning from downstream to midstream. Consultation with delivery agent was conducted to ensure targets aligned with ramp-up requirements and anticipated market adoption rates.	Budgets were primarily driven by incentives associated with measure level unit projections. Incentive structures were heavily influenced by feedback from customers and business partners. Factors also impacting budget included: Promotional costs, including ongoing sales training and online portal for program participants Delivery costs, as delivery of this offering is contracted to a third-party delivery agent.
Industrial Program Industrial Custom	Historical results were used to set baseline savings targets, and adjusted to: - discount changes to input assumptions associated with advancements in codes and standards (primarily impacting the greenhouse new construction sector). - Accommodate anticipated incremental results through the addition of Energy Solutions Advisors.	Proposed budgets were primarily driven by financial incentives awarded to customers to support the identification and implementation of energy efficiency measures, and to achieve 2023 targets. Factors directly impacting incremental spend over historical budgets included: A new tiered incentive structure that will provide an overall lift in incentives for most industrial custom projects, where it is

	• Incorporate NTG estimates based on best available information – leveraged a blended legacy utility NTG rate from the most recently performed NTG studies. Consultation with Energy Solutions Advisors, customers and industry associations was conducted to ensure forecasted savings figures aligned with market opportunities and challenges.	anticipated that the incentive will play a larger role in influencing project implementation. • Incremental budget associated with the addition of 4 resources (3 Industrial Energy Solutions Advisors and 1 Program Evaluator). • Incorporation of enhanced funding to support studies and EMIS installations, formerly available through the SEM/CEM offerings. Marketing and promotion of energy conservation programming will remain consistent with previous years.
Large Volume Program Direct Access	• Target based on the 5 year (2016 to 2020) average historical achievement • Due to the fixed Direct Access budget design of the Large Volume Program, adding additional measures such as turbine filters, wash and overhauls will not result in incremental results for the program. • NTG estimates were based on best available information, i.e., the most recently performed NTG study.	• The \$2.45M incentive budget in 2022 was based on the 5 year (2016 to 2020) average historical incentive spend. • There are 2 FTEs allocated to deliver the program to customers, which is approximately \$216,000. • The promotional budget of \$50,000 is to cover pilots, research and training completed by customers, which is something Enbridge Gas has been doing for a number of years. The remainder of the budget is allocated towards costs associated with program evaluation as well as proportional coverage of Low Income programming.
Energy Performance Program: Whole Building P4P	Participant targets were set based on the following: • Market potential of school-targeted offer • Historic achievement with Sustainable Schools partnership • feedback from stakeholdering efforts, and • anticipated time required to develop, promote, recruit and onboard participants.	Budgets were primarily driven by participant enabling initiatives outlined in the plan. This involves costing associated with: • Funding to support the procurement and setup of an automatic meter reader if needed by the customer • Third party delivery of the offering • Financial incentives to encourage participation and reward participants who effectively manage and monitor their energy usage and achieve their performance target through the achievement of incremental savings year over year.
Building Beyond Code: Residential Savings by Design	The targets for this offering were based on consideration of the market potential (# of new housing starts) in the preliminary list of municipalities with <15% ESNH levels • <i>Note: the NZER stream does not include a target for 2023 based on the recognition of time required for to introduce and gain participation to a new offering in market as well as the time to build a Net Zero Energy Ready discovery home</i>	The budgets for this offering were driven by the following: • Incentive levels were based on considerations of current incremental costs of construction for both ESNH and NZER. • Addressing cost barriers associated with evaluation/labeling of ESNH and NZER. • Other budget considerations included promotion, delivery, and admin resources necessary to achieve the participant target for ESNH and support for NZER projects in their first year.
Building Beyond Code: Commercial Savings by Design	Targets were developed in consultation with delivery agents, and in consideration of the following: • Historical projects were reviewed, and it was identified that less than half of historical	• Budget is primarily based on the cost and number of charrettes performed. • Additional costs have been allocated to support promotional efforts and education initiatives such as workshops and

	participants were able to achieve performance levels of 25% above code. • Consultation with Municipalities and industry experts was undertaken to better forecast potential changes in GDS, such as the Toronto Green Standards that could further advance efficiency targets, making them even more challenging for participants to achieve. • Effort was made to balance the budget of the program relative to RA programming and other initiatives that could benefit the commercial market.	webinars, key association sponsorships and the development of case studies to promote interest and awareness of measures to increase building performance.
Building Beyond Code: Affordable Housing Savings By Design	Historical levels of achievement (L-EG only) were used as the basis for setting targets and then adjusted for: • Consideration of the offer expanding across Ontario • Consideration of proposed program design changes; including the increasing energy efficiency requirements	Budgets were developed based on the following. • Estimated incentives based on targets set • Delivery costs to deliver the program into market (3rd parties, IDPs) • Promotional spend based on historical information required to deliver the offer into market and achieve the targets set
Building Beyond Code: Commercial Air Tightness Testing	Targets were developed in consultation with building scientists, engineering firms and consultants actively involved in the new construction sector. Participant targets were determined as a result of the inherent challenges involved in convincing customers to participate in the offering. Rationale behind having a larger target assigned to qualified agents versus participants is that there is a need to first develop capacity before driving participation.	Budgets were developed based on third party consultation in estimating costing associated with: • Research and development of standard practices in performing commercial air tightness testing. • Participant incentives to offset the cost of performing air tightness testing and measures to improve results. Funding was also allocated to support the development and hosting of training sessions for capacity building, as well as promotional materials and initiatives such as brochures, case studies and white papers to drive interest and awareness in the offering.
Low Carbon Transition Program Residential Low Carbon	• Installation target was determined based on the incentive budget divided by a weighted average incentive level for hybrid heating and gas heat pumps. Average incentives were determined from a jurisdictional scan of incentive levels across Canada and consultations with manufacturers • Trained contractor target was determined based on a scan of the Ontario contracting space, and to build sufficient capacity across the industry to achieve installation targets.	• Incentives provided to participants to support the adoption of the technology will make up the largest portion of the offering budget. • Two company resources were allocated to support program administration • The remaining budget is dedicated to program costs associated with actively promoting the offering to customers and recruiting contractors, as well as providing tools and training to support the contractor network.
Low Carbon Transition: Commercial Low Carbon	• Installation target was determined in proportion to the number of trained engineers on the expectation that each trained engineer would specify multiple installations. • Trained Engineers target were set through consultation with gas heat pump manufacturers and distributors and experience from Gas Heat Pump projects through the Energy Leaders offering.	• Participant incentives to support the adoption of the measure will make up the largest portion of the offering budget. Incentive levels are based on cost coverage of up to 80% of the incremental project cost. • The remaining budget is dedicated to program costs associated with promoting the offering to customers and Engineers as well as providing tools and training to build capacity.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 9

Question(s):

EGI is proposing to spend approximately \$40 million to \$44 million per year on the Residential Program. Please indicate what factors would cause EGI to spend more on the Residential Program during the Plan Term. Please indicate what factors would cause EGI to spend less on the Residential Program.

Response:

Enbridge Gas has proposed budgets and designed separate and distinct scorecards with corresponding metrics and performance incentives for each of the major customer sectors to demonstrate the Company's commitment to maintaining a balanced focus on each of the sectors, to ensure all customer groups continue to have opportunities to participate in DSM. Where particular programs, in a given year, may be forecasting to exceed target achievement, the Company has access to additional funds through the DSMVA to pursue further results.

In addition, to the extent the OEB has recognized the importance of allowing the gas utilities some budget flexibility to pursue successful programs, Enbridge Gas would continue to evaluate the budget spend across all sectors to ensure funds are being allocated effectively to pursue opportunities based on its experience and lessons learned over the term of the DSM Plan, including working to maximize the net benefits of the overall portfolio.

Please see response to Exhibit I.10a.EGD.STAFF.31a for a discussion on potential partnership with NRCan's Canada Greener Homes Grant, and Exhibit I.6.EGI.CCC.10b for the factors which informed the budget allocation to the residential sector.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 18, Table 11

Question(s):

For each year 2022-2027 please provide a schedule in the same level of detail as Table 3 – 2022 DSM Plan Budget that sets out total compensation costs by program and portfolio.

Response:

Budgets for 2023-2027 are provided in the evidence at Exhibit D, Tab 1, Schedule 1, page 11-15, Tables 4 through 8.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Exhibit E, Tab 4, Schedule 1

Question(s):

Please explain how the Portfolio Costs – Administration, System Maintenance & Improvements, and Municipal Engagement – are allocated to each of the rate classes.

Response:

Portfolio costs are first allocated to each program based on the pro-rata share of program spend relative to total program spend. Within each program (excluding the Low Income program), this pro-rata share of portfolio costs are allocated to rate classes in proportion to customer incentives paid by rate class.

For the Low Income program, the pro-rata share of portfolio costs is allocated to rate classes in proportion to OEB-approved distribution revenues less DSM budget costs, as described at Exhibit F, Tab 1, Schedule 1, page 1.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Exhibit E, Tab 4, Schedule 1

Question(s):

Please provide a breakdown of the \$8.4 million Portfolio Administration Costs. Please provide a schedule setting out the detailed forecast of these costs for the period 2015-2021. Please provide the actual amounts incurred for the period 2015-2021.

Response:

The Portfolio Administration Costs of \$8,569,922 is further broken down in Table 1 below:

Table 1

Salaries	\$ 6,355,472
Employee Expenses & Training	\$ 990,450
Other	\$ 1,224,000

The budgets, which include Administration Costs for 2015-2021 can be found in the response to Exhibit I.6.EGI.ED.20, however approved budgets with the breakdown in Table 1 do not exist.

The actual amounts for Portfolio Administration Costs for 2015-2021 can be found in the response to Exhibit I.6.EGI.STAFF.13f.

As explained in the responses to Exhibit I.6.EGI.ED.20 and Exhibit I.6.EGI.STAFF.13f, these costs were not tracked in the EGD and Union rate zones in the same manner for the 2015-2021 period.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Consumers Council of Canada (CCC)

Interrogatory

Issue 6

Reference:

Question(s):

Please provide a complete list of all external reports prepared during the development of the DSM Framework and DSM Plan, and in support of this application. Please indicate for each engagement whether the work was subject to an RFP process. Please provide the total cost of each engagement and how those costs are to be recovered.

Response:

Report	Author	Reference in Evidence	Year Completed	Total Cost	Subject to RFP
Phase 1: Utility DSM Future Scope Development for Indigenous Communities	Building Knowledge	Report not complete	2021 (expected)	\$58,391	N
DSM Avoided Costs Study - Jurisdictional Review	Guidehouse Inc.	Exhibit E, Tab 5, Schedule 1, Attachment	2021	\$75,000	Y
The Evolution of Net-to-Gross - Jurisdictional Overview of Approaches	SeeLine Group Ltd	Exhibit E, Tab 4, Schedule 2, Attachment 2	2020	\$31,325	N

Review and Analysis of Net-to-Gross Assessment for Natural Gas DSM Custom C/I Programs	Research into Action Inc.	Exhibit E, Tab 4, Schedule 5, Attachment 1	2017	\$43,856	N
Residential Part 9, New Construction: Identifying the opportunities for future DSM Programming	Building Knowledge	Exhibit E, Tab 2, Schedule 2, Attachment 2	2020	\$24,000	N
Commercial New Construction Energy Conservation Market and Technologies	SeeLine Group Ltd	Exhibit E, Tab 2, Schedule 2, Attachment 1	2020	\$40,625	N
Final Report Documenting Data Inputs, Assumptions and Method	Posterity Group	Exhibit E, Tab 4, Schedule 7, Attachment 1	2021	\$55,000	N
Enbridge Gas Commercial Next Gen DSM Planning - Stakeholder Engagement	Ipsos	Exhibit E, Tab 1, Schedule 4, Attachment 1	2020	\$47,750	N
2020 Industrial Next Gen DSM Customer Engagement Research: In-depth Interviews	Ipsos	Exhibit E, Tab 1, Schedule 5, Attachment 2	2020	\$20,000	N

Enbridge Gas Inc. DSM Next Gen Customer Engagement - Industrial	Ipsos	Exhibit E, Tab 1, Schedule 5, Attachment 1	2020	\$22,000	N
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ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Issue 6

Reference:

Exhibit B, Tab 1, Schedule 1, page 6 of 14

Question(s):

At page 6, EGI states that proposed budget programs will formulaically increase 3% above inflation for the 2023-2027 period.

(a) Given that inflation has increased dramatically in the past year, has EGI considered increases that are less than 3% above inflation? If yes, please describe, if not, explain why not.

(b) Is there a rate of inflation at which EGI would consider reducing the year over year increases to be, for instance, equivalent to inflation rather than 3% above inflation? Please describe fully.

Response:

- a) When determining what Enbridge Gas believes is an appropriate budget envelope, it considered the direction received from the OEB in its Letter on December 1, 2020 to propose modest budget increases. The Company believes that the budget proposed by Enbridge Gas which increases budgets with a formulaic increase of 3% above inflation for only the Program Budget is consistent with the direction given by the OEB. Enbridge Gas did not propose any increase above inflation for Portfolio Admin, Evaluation, and Research & Development costs. As stated in the pre-filed evidence, an increase of 3% over inflation for the Program Budget is consistent with the direction provided to the Company.
- b) Enbridge Gas does not forecast inflation rates and therefore has not conducted any scenario analysis as outlined above.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Issue 6

Reference:

Exhibit C, Tab 1, Schedule 1, page 15 of 66

Question(s):

At page 15, EGI explains its proposed re-allocation of DSM funds between programs.

- (a) In EGI's proposal, please confirm whether the re-allocation of funds between programs has any impact on the shareholder incentives that can be earned for those programs.
- (b) In EGI's proposal, how would EGI prevent or guard against the practice of reallocating funds between programs to maximize shareholder incentive rather than maximizing DSM results or cost efficiency?

Response:

- a) Enbridge Gas has proposed fixed weightings for the Annual Scorecards and provisions for re-allocation of funds does not impact the available shareholder incentive for any of the sector based Annual Scorecards.
- b) Enbridge Gas has proposed a hybrid shareholder incentive opportunity and scorecard design to ensure focus is maintained on each sector/program. At the same time an Annual Net Benefits Shared Savings mechanism seeks to maximize net benefits across the entire DSM portfolio based on the delivery of DSM to all customer groups. These two annual incentive mechanisms are complementary. The proposal is structured to encourage the Company's alignment with DSM goals, guiding principles, and the OEB's expectations by providing transparency to performance in these broad groupings of customers (sectors). Enbridge Gas believes the proposal ensures that any re-allocation of funds will not be an either/or consideration of 1) maximizing shareholder incentive vs. 2) maximizing results or cost-efficiency, but rather any re-allocation of funds will align both objectives in tandem.

The hybrid performance incentives are designed to encourage attention on multiple objectives; ensuring the Company strives to maximize DSM results assessed across each of the programs/sectors but also with a focus on delivering net benefits across the entire portfolio. Given that the proposed scorecard and shareholder incentive has been designed so that there is specified shareholder incentive weighting for each program/sector rather than across a single combined Resource Acquisition scorecard, the Company will be incented to maintain a focus on each of those program/sectors individually, and not potentially at the expense of each other. The Company notes the individual sector scorecards would have the 30% fund transfer threshold applied to them as individual programs, which limits the amount of re-allocation between the sectors, as opposed to the current structure with all customer groupings in a combined RA scorecard/program. Also, the net benefits shared savings opportunity will encourage efficiencies and optimization across the portfolio. Enbridge Gas maintains that an appropriate degree of budget flexibility is necessary, as provided in the Proposed Framework (and which is consistent with OEB direction in the 2015-2020 DSM framework) to re-allocate funds among approved programs.

This level of guidance is meant to ensure that adequate flexibility in DSM program and portfolio design is maintained, while recognizing that Enbridge Gas is ultimately responsible and accountable for its actions. This flexibility should ensure that Enbridge Gas can appropriately react to and adapt with current and anticipated market developments¹ and pursue successful efforts effectively. Any such budget reallocation considerations however, will, by design require Enbridge Gas to ensure the budget is managed across all sectors/programs to maximize both scorecard results and overall net benefits on the portfolio.

¹ EB-2021-0002, DSM Multi-year Plan and Framework Application (Updated: September 29, 2021), Exhibit C, Tab1, Schedule 1, p. 15.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Issue 6

Reference:

Exhibit C, Tab 1, Schedule 1, page 24 of 66

Question(s):

At page 24, EGI explains its proposal with respect to ETEE and DSM funding. EGI stated "it is appropriate that some costs, such as existing DSM administration and overheads, should be reallocated to, or from, the DSM plan/budget to reflect such shared costs."

(a) In EGI's proposal, please confirm whether the re-allocation of funds between ETEE and DSM has any impact on the shareholder incentives that can be earned for those programs.

Response:

Please see response to Exhibit I.5.EGI.STAFF.7b.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 1 of 26

Question(s):

At page 1, EGI stated that the plan has been developed to be responsive to the OEB's expectation for modest budget increases.

- (a) When determining the plan budget, did EGI determine the budget and yearly increases first, and decide the DSM programs upon which to spend the budget second, or was the budget and yearly increases determined first, and the budget required to meet those programs determined second?

Response:

In its December 1, 2020 DSM Letter, the OEB provided high level budget guidance indicating that it expected modest budget increases be proposed for the next multi-year DSM plan application. It follows therefore that the OEB's direction necessitated that the Company begin with an approach to first establish the overall program budget envelope (relative to the 2022 OEB approved DSM budget) including how the budget should evolve year over year, as the starting point on which to develop a DSM portfolio proposal. Notably, in the 2015-2020 DSM Framework the OEB provided direct budget guidance as part of the Framework from which the gas utilities proposed DSM programs and corresponding program budgets.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Environmental Defence

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, Page 11

Question(s):

- (a) To help us understand whether (and by how much) budgeted portfolio and admin costs are increasing or decreasing, please complete the following table with combined data for both Enbridge and Union. Please include the costs for the thermostat program approved for Union in the mid-term review and specify where they have been included.

Comparison of Budgeted Program, Portfolio, and Overhead Costs			
	2015	...	2027
Program costs (incentives, promotion, & delivery)			
Program overhead			
Portfolio costs (non- admin)			
Portfolio costs (admin)			
Total overhead costs (program and portfolio)			
Total portfolio costs and overhead costs			
Total costs			

- (b) Please complete the following table. Please include the \$1.5 million Union Gas adaptive thermostat program approved in the mid-term review starting in 2019 to ensure consistency with 2023, which includes that program. Please confirm that this \$1.5 million is part of the DSM budget per the latest OEB verification report: OEB, *2019 Natural Gas Demand-Side Management Annual Verification Report*, December 3, 2020, p. 208 ([link](#)). For the real 2019 dollars, please use inflation figures per the Bank of Canada ([link](#)).

DSM Investments - 2019-2023 Budgets					
	2019	2020	2021	2022	2023
Total programs (real \$2019)					
Total programs (nominal)					
Resource acquisition (all but market transformation)					
Market transformation					
Total overhead					
Program overhead					
Portfolio overhead					
Total budget					
Overhead as % of Total					

- (c) Please complete this table:

Proposed Program Budget Increases From 2023 to 2027		
	Nominal	Inflation Adjusted (@ 2% Annual)
Resource Acquisition (incl. all but market transformation)		
Market Transformation		

(d) Please complete this table:

Proposed Budgets - 2023-2027							
	2023	2024	2025	2026	2027	% Change Nominal	% Change Inflation Adjusted ¹
Resource Acquisition (incl. all but market transformation)							
Percent Increase							
Market Transformation							
Percent Increase							
Total Program							
Portfolio Overhead							
Total							

Response

(a) Please see Attachment 1.

For additional important notes when comparing combined overhead budgets in this response and those below, please see the response to Exhibit I.6.EGI.STAFF.13f.

(b) Please see table below:

¹ Assumed 2% annual inflation.

DSM Investments - 2019-2023 Budgets					
	2019	2020	2021	2022	2023
Total programs (real \$2019)¹	\$104,256,598	\$105,885,459	\$101,439,603	\$99,450,591	\$102,694,633
Total programs (nominal)	\$104,256,598	\$106,429,657	\$106,429,657	\$106,429,657	\$112,099,380
Resource acquisition (all but market transformation)	\$96,241,519	\$98,283,322	\$98,283,322	\$98,283,322	\$99,797,287
Market transformation	\$8,015,079	\$8,146,335	\$8,146,335	\$8,146,335	\$12,302,093
Total overhead	\$19,947,784	\$20,113,541	\$20,113,541	\$20,113,541	\$23,053,142
Program overhead	\$16,105,784	\$16,271,541	\$16,271,541	\$16,271,541	\$11,800,620
Portfolio overhead	\$3,842,000	\$3,842,000	\$3,842,000	\$3,842,000	\$11,252,522
Portfolio costs (non-admin)	\$6,986,164	\$7,063,719	\$7,063,719	\$7,063,719	\$7,107,478
Total budget	\$131,190,546	\$133,606,917	\$133,606,917	\$133,606,917	\$142,260,000
Overhead as % of Total	15.2%	15.1%	15.1%	15.1%	16.2%

¹2019-2021 applies CPI Factor from Bank of Canada as of September. 2022-2023 assumes annual 2% inflation factor.

(c) Please see table below.

Proposed Program Budget Increases From 2023 to 2027		
	Nominal	Inflation Adjusted (@ 2% Annual)
Resource Acquisition (incl. all but market transformation)	8%	0%
Market Transformation	135%	117%

(d) Please see table below.

Proposed Budgets - 2023-2027							
	2023	2024	2025	2026	2027	% Change (2023 versus 2027)	% Change (2023 versus 2027)
						Nominal	Inflation Adjusted ¹
Resource Acquisition (incl. all but market transformation)	\$110.9M	\$113.1M	\$115.3M	\$117.6M	\$120.0M	8.2%	0.0%
Percent Increase	N/A	2.0%	2.0%	2.0%	2.0%		
Market Transformation	\$13.0M	\$17.0M	\$21.3M	\$25.8M	\$30.6M	135.0%	117.1%
Percent Increase	N/A	30.7%	24.9%	21.3%	18.7%		
Total Program	\$123.9M	\$130.1M	\$136.6M	\$143.4M	\$150.6M	21.6%	12.3%
Portfolio Overhead²	\$18.4M	\$18.7M	\$19.1M	\$19.5M	\$19.9M	8.2%	0.0%
Total	\$142.3M	\$148.8M	\$155.7M	\$162.9M	\$170.5M	19.8%	10.7%

¹Assumed 2% annual inflation.

²Includes all Portfolio level costs (admin & non-admin)

Exhibit I.6.EGI.ED.20
Attachment 1

Comparison of Budgeted Program, Portfolio, and Overhead Costs													
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Program costs (incentives, promotion, & delivery)	\$49,248,850	\$81,959,096	\$94,373,883	\$103,410,873	\$104,256,598	\$106,429,657	\$106,429,657	\$106,429,657	\$112,099,380	\$118,115,505	\$124,380,665	\$130,966,271	\$137,888,489
Program overhead ¹	\$12,375,370	\$15,395,446	\$16,042,199	\$16,164,751	\$16,105,784	\$16,271,541	\$16,271,541	\$16,271,541	\$11,800,620	\$11,979,495	\$12,219,085	\$12,463,467	\$12,712,736
Portfolio costs (non-admin) ^{2 3}	\$7,372,884	\$6,892,948	\$7,245,835	\$7,408,768	\$6,986,164	\$7,063,719	\$7,063,719	\$7,063,719	\$7,107,478	\$7,249,628	\$7,394,621	\$7,542,513	\$7,693,363
Portfolio costs (admin) ^{1 4 5}	\$2,713,006	\$8,935,000	\$3,842,000	\$3,842,000	\$3,842,000	\$3,842,000	\$3,842,000	\$3,842,000	\$11,252,522	\$11,477,572	\$11,707,123	\$11,941,266	\$12,180,092
Total overhead costs (program and portfolio)	\$15,088,376	\$24,330,446	\$19,884,199	\$20,006,751	\$19,947,784	\$20,113,541	\$20,113,541	\$20,113,541	\$23,053,142	\$23,457,067	\$23,926,209	\$24,404,733	\$24,892,829
Total portfolio costs and overhead costs	\$22,461,260	\$31,223,394	\$27,130,034	\$27,415,519	\$26,933,948	\$27,177,260	\$27,177,260	\$27,177,260	\$30,160,620	\$30,706,695	\$31,320,829	\$31,947,246	\$32,586,192
Total costs	\$71,710,110	\$113,182,490	\$121,503,917	\$130,826,392	\$131,190,546	\$133,606,917	\$133,606,917	\$133,606,917	\$142,260,000	\$148,822,200	\$155,701,494	\$162,913,517	\$170,474,680

¹Categorization of administrative/overhead costs was not handled consistently between the EGD and Union rate zones in 2015-2022. Portfolio administration was not tracked separately in the EGD rate zone, and all administration costs were allocated to programs based on proportional program spend. In the Union rate zone, administration costs were tracked at both the program and portfolio level.

²In 2015-2022, category includes all Evaluation costs (Program & Portfolio level), and Research & Development cost (Collaboration & Innovation Fund, Research, Pilots)

³In 2023-2027, category includes Evaluation & Regulatory Costs, and Research & Development Costs, as detailed at Exhibit D Tab 1 Schedule 1 Tables 4-8

⁴In 2015-2022, category includes Portfolio Administration and DSM IT System Development costs, to align with 2023-2027 presentation.

⁵In 2023-2027, category includes Portfolio Administration, System Maintenance & Improvements, and Municipal Engagement, as detailed at Exhibit D Tab 1 Schedule 1 Tables 4-8

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Issue 6

Reference:

Exhibit D Tab 1Schedule 1Page 9 Table 1:

Question(s):

Please provide the following Metrics

Historic 2017-2021:

- Program Budget Actuals
- Portfolio Admin Evaluation and R&D
- Percentage of PAEER&D to Budget

Response:

Please see response to Exhibit I.6.EGI.STAFF.13b for:

- 2017-2020 actual program spends, including portfolio spends (all rate zones)
- 2021 forecast spends, including portfolio spends (all rate zones)

For percentage of portfolio spend to total spend, see table below.

All Rate Zones	2017	2018	2019	2020 (Draft Audit)	2021 (Forecast)
Percentage of Portfolio Subtotal Spend* to Total Spend	9%	10%	8%	6%	7%

*Portfolio Subtotal Includes Administration, Evaluation and Regulatory, Research and Development, and Other

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Issue 6

Reference:

Exhibit D Tab 1 Schedule 1 Page 9 Table 2

Question(s):

- a) Please Provide the Portfolio Budget Percentages for the 8 Major Programs
- b) Compare to the 2021 Portfolio

Response:

a - b) Please see the table below.

DSM Budget Category	2021 ³ (% of Total)	2023 (% of Total)	2024 (% of Total)	2025 (% of Total)	2026 (% of Total)	2027 (% of Total)
Residential Program	39%	29%	28%	27%	27%	26%
Low Income Program	19%	16%	16%	15%	15%	15%
Commercial Program	18%	18%	17%	17%	16%	16%
Industrial Program	7%	13%	12%	12%	12%	11%
Large Volume Industrial Program	3%	2%	2%	2%	2%	2%
Energy Performance Program	0%	1%	1%	1%	1%	1%
Building Beyond Code Program ¹	6%	6%	6%	14%	16%	18%
Low Carbon Transition Program ¹	0%	3%	5%			
Market Transformation & Energy Management Programs ²	1%	N/A	N/A	N/A	N/A	N/A
Program Subtotal	93%	87%	87%	88%	88%	88%
Administration Costs	3%	8%	8%	8%	7%	7%
Evaluation and Regulatory Costs	2%	3%	3%	3%	3%	2%
Research and Development Costs	2%	2%	2%	2%	2%	2%
Portfolio Subtotal	7%	13%	13%	12%	12%	12%
Total	100%	100%	100%	100%	100%	100%

¹The Building Beyond Code and Low Carbon Transition budgets to be reassessed at the mid-point assessment.

²Includes Program Offerings with no equivalent in 2023 and beyond

³Based on 2021 forecast of spend as detailed in interrogatory response to Exhibit I.6.EGI.STAFF.13a, Attachment 3. Please note there are several assumptions outlined in the response that must be considered when reviewing these numbers.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Energy Probe Research Foundation (EP)

Interrogatory

Issue 6

Reference:

Exhibit D Tab 1 Schedule 1 Page 22 of 26 Plus Attachment

Question(s):

Please provide a version of the Table [EB-2020-0271 Exhibit I STAFF 4 Attachment 1] that shows:

- 2015-2023 FTE
- DSM Compensation Actual/Forecast
- Average Cost/FTE
- Total Budget/Spend
- FTE/\$ Budget/Spend
- Overheads included in Budget
- Overheads as a % Budget
- FTE /Overhead cost

Response:

Please see Attachment 1.

Particulars	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Forecasted	2022 Forecasted	2023 Proposed
<u>Union Rate Zones</u>									
FTE	88.2	92.7	97.4	92.3	80.8	78.8	79.8	85.7	N/A
DSM Compensation Actual/Forecast	\$ 7,020,951	\$ 8,269,211	\$ 9,809,128	\$ 9,768,623	\$ 8,737,116	\$ 8,500,403	\$ 9,105,420	\$ 9,457,600	N/A
Average Cost/FTE	\$ 79,603	\$ 89,204	\$ 100,710	\$ 105,836	\$ 108,133	\$ 107,873	\$ 114,103	\$ 110,409	N/A
Total Budget/Spend ¹	\$ 32,392,645	\$ 50,665,650	\$ 64,581,110	\$ 69,122,921	\$ 65,604,306	\$ 54,488,582	\$ 63,262,398	\$ 65,849,541	N/A
FTE/Budget/Spend	0.0003%	0.0002%	0.0002%	0.0001%	0.0001%	0.0001%	0.0001%	0.0001%	N/A
Overheads included in Budget ²	\$ 8,485,216	\$ 15,589,425	\$ 11,292,238	\$ 11,301,537	\$ 11,315,971	\$ 11,315,713	\$ 11,315,713	\$ 11,315,713	N/A
Overheads as a % of Budget	25%	27%	19%	18%	17%	17%	17%	17%	N/A
FTE/Overhead Cost	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	N/A
<u>EGD Rate Zone</u>									
FTE	67	70	81	88	69	68	71	73	N/A
DSM Compensation Actual/Forecast	\$ 7,068,550	\$ 7,054,258	\$ 7,162,408	\$ 7,456,297	\$ 6,683,478	\$ 6,561,202	\$ 6,876,054	\$ 7,390,628	N/A
Average Cost/FTE	\$ 105,501	\$ 100,775	\$ 88,425	\$ 84,731	\$ 96,862	\$ 96,488	\$ 96,846	\$ 101,241	N/A
Total Budget/Spend	\$ 35,779,972	\$ 55,648,285	\$ 62,363,439	\$ 66,154,466	\$ 72,843,440	\$ 64,548,153	\$ 71,752,673	\$ 67,757,376	N/A
FTE/Budget/Spend	0.0002%	0.0001%	0.0001%	0.0001%	0.0001%	0.0001%	0.0001%	0.0001%	N/A
Overheads included in Budget ²	\$ 6,603,160	\$ 8,741,021	\$ 8,591,961	\$ 8,705,214	\$ 8,631,813	\$ 8,797,828	\$ 8,797,828	\$ 8,797,828	N/A
Overheads as a % of Budget	18%	16%	14%	13%	13%	13%	13%	13%	N/A
FTE/Overhead Cost	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	N/A
<u>Combined</u>									
FTE	155.2	162.7	178.4	180.3	149.8	146.8	150.8	158.7	169
DSM Compensation Actual/Forecast	\$ 14,089,501	\$ 15,323,469	\$ 16,971,536	\$ 17,224,920	\$ 15,420,594	\$ 15,061,605	\$ 15,981,474	\$ 16,848,228	\$ 17,384,929
Average Cost/FTE	\$ 90,783	\$ 94,182	\$ 95,132	\$ 95,535	\$ 102,941	\$ 102,599	\$ 105,978	\$ 106,191	\$ 102,869
Total Budget/Spend	\$ 68,172,617	\$ 106,313,936	\$ 126,944,549	\$ 135,277,387	\$ 138,447,745	\$ 119,036,736	\$ 135,015,071	\$ 133,606,917	\$ 142,260,000
FTE/Budget/Spend	0.0002%	0.0002%	0.0001%	0.0001%	0.0001%	0.0001%	0.0001%	0.0001%	0.0001%
Overheads included in Budget ²	\$ 15,088,376	\$ 24,330,446	\$ 19,884,199	\$ 20,006,751	\$ 19,947,784	\$ 20,113,541	\$ 20,113,541	\$ 20,113,541	\$ 23,052,142
Overheads as a % of Budget	21%	21%	16%	15%	15%	15%	15%	15%	16%
FTE/Overhead Cost	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%

¹2022 Forecast includes incremental \$1.5M for Residential Thermostat offering in the Union Rate Zones, consistent with EB-2017-0127

²Consistent with categorization in Exhibit I.6.EGI.ED.20a, includes program and portfolio administration, and DSM IT system development costs

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-Housing Providers of Ontario (FRPO)

Interrogatory

Issue 6

Reference:

Exhibit C, Tab 1, Schedule 1, page 6

Preamble:

EGI evidence states: ***“DSM plans should balance the achievement of cost-effective natural gas savings and customer bill impacts. “The 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. The OEB expects that all requests for ratepayer-funding to support DSM programs be accompanied by detailed evidence that shows how the programs will benefit Ontario’s natural gas customers, help reduce overall natural gas usage and costs.”***

We would like to understand how the DSM programs of the previous framework help reduce ratepayer costs.

Question(s):

Please provide reference to specific elements of the pre-filed evidence that show that the DSM reduces ratepayer costs.

- a) Please supplement this evidence with any additional analysis not currently on the record.

Response

Enbridge Gas notes that referencing all of the elements of the plan would be extremely duplicative, as the majority of the application is devoted to providing a comprehensive DSM Framework and DSM Plan to achieve the OEB stated goals and objectives.

Please refer to Exhibit D, Tab 1, Schedule 2 Table 11 – The forecast Net Benefits are primarily driven by avoided energy costs that accrue to participants

Please refer to Exhibit D, Tab 1, Schedule 3, Table 2 Annual scorecard targets show the forecast (100% target) annual gas savings by sector.

Please also see the response to Exhibit I.1.EGI.CCC.2.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Federation of Rental-Housing Providers of Ontario (FRPO)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, Attachment 1, page 1

Preamble:

We would like to understand the increase in staff for the legacy utility programs just ahead of the utility merger.

Question(s):

Please describe the prime factor(s) that led to a 10% increase in Union Gas staff between 2015 and 2017 and the almost 30% increase in Enbridge Gas Distribution staff between 2015 and 2018 as the company's prepared for a merger.

- a) Please provide the number of full time staff dedicated to each of the respective utilities during the 2015-2020 period (i.e., does not include staff whose time was partially allocated to DSM).

Response

The prime factor driving the increase in staff during those time periods was hiring subsequent to OEB approval of Union's and EGD's respective 2016-2020 DSM Plans, which both approximately doubled in budget size compared to the previous DSM Plan period.

Impacts to DSM staff as a result of the utility integration in 2019 are discussed at Exhibit D, Tab 1, Schedule 1, page 21.

- a) Please see response to Exhibit I.6.EGI.EP.4 for FTE staff allocated to DSM for the time period requested. This represents the best reflection of the level of full-time equivalent staff supporting DSM. Providing only staff that are 100% dedicated to DSM would provide an incomplete view of DSM staffing over the time period.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Green Energy Coalition (GEC)

Interrogatory

Issue 6

Reference:

Exhibit E, Tab 4, Schedule 2, Page 1, Regulatory and Stakeholding Costs

Question(s):

- a) Please break out the \$0.71M budget for Regulatory and Stakeholding Costs as between stakeholder costs, OEB (i.e. Board) costs and EGI external legal costs.
- b) Please break out the estimated costs of the current proceeding as above.

Response:

- a) Enbridge Gas does not have a break out of the \$0.71M budget. In Exhibit E, Tab 4, Schedule 2, Enbridge Gas noted that many of the costs in this sub-category are externally driven and can vary significantly. For this reason Enbridge Gas put forward a budget based on historical average spend over the years for the four categories (i.e. OEB costs, intervenor costs, external legal fees, and stakeholder costs). As noted in the pre-filed evidence "Enbridge Gas proposes that any over/underages from the forecast will be collected/returned to ratepayers through the DSMVA on an annual basis and that the budget will not be used for other purposes without OEB approval."
- b) As stated above, Enbridge Gas does not forecast at this level. However, the Company can provide the following points which may be helpful:
 - The IRP Framework proceeding (EB-2020-0091) spanned almost 15 months with the OEB decision issued July 22, 2021. The cost awards from Interested Parties for the IRP Framework proceeding exceeded \$750,000, a value that does not include the Company's or OEB Staff resources or external Counsel costs, nor does it include additional costs for expert evidence. the IRP Framework proceeding was for a framework alone, whereas this proceeding has both a framework and a five year DSM Plan. The previous DSM Plan proceeding in 2015 (EB-2015-0029/0049) total cost awards were over \$1.2 million, not including the OEB costs or the cost to the utilities.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Housing Services Corporation (HSC)

Interrogatory

Issue 6

Question(s):

Enbridge Gas is asked to increase its budgets for its low-income programs.

Response:

Please see Exhibit I.2.EGI.HSC.1.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Low-Income Energy Network (LIEN)

Interrogatory

Issue 6

Question(s):

Exhibit D Tab 1 Schedule 1 pages 11 through 15 of 26, inclusive. Regarding the Low Income DSM program budget, please provide a table which shows:

- a) the low-income budget in total and broken down by program offering and rate zone for 2021, 2022, and in total, and broken down by program offering for 2023-2027.
 - i. Please indicate the total low-income program budget change year over year and percentage change as well as the program offering budget change and percentage change year over year.
- b) Enbridge Gas's forecast of low-income customers broken down by residential customers and for multi-residential broken down by social and assisted housing and by market rental buildings, over the 2021 to 2027 period.
 - i. Please indicate number of participants forecasted, average savings per participant by low-income program offering forecasted and forecasted % uptake compared to customer forecast for each year over the 2021-2027 period.

Response:

- a) Please see Attachment 1 to this interrogatory response.
- b) Low-income residential, please refer to Exhibit I.10b.EGI.LIEN.8d.

The low-income multi-residential buildings for legacy Enbridge Gas were not forecasted by social and assisted housing and by market rental buildings and will not be forecasted moving forward for the following reasons:

- External factors such as the uncertainty of Social Housing buildings transitioning over to Market Rental over the years (see Exhibit E, Tab 1, Schedule 2, page 1, paragraph 2);
- External future funding streams from Government can significantly impact one or both sides of the market; and
- The proposed Market Rental building low income eligibility (and resulting opportunity) currently not approved.

These are some of the reasons why Enbridge Gas proposed that social and assisted housing and market rate buildings have an overall target.

- i. Please see Attachment 2 for the requested information.

Program Offering ^{1 2}	2021			2022			2023	2024	2025	2026	2027
	EGD Rate Zone	Union Rate Zone	2021 Total	EGD Rate Zone	Union Rate Zone	2022 Total					
Home Winterproofing	\$ 6,736,859	\$ 8,374,000	\$ 15,110,859	\$ 6,736,859	\$ 8,374,000	\$ 15,110,859	\$ 14,375,115	\$ 14,662,617	\$ 14,955,869	\$ 15,254,987	\$ 15,560,086
Change from Previous Year (\$)						\$ -	\$ (735,744)	\$ 287,502	\$ 293,252	\$ 299,117	\$ 305,100
Change from Previous Year (%)						0%	-5%	2%	2%	2%	2%
Affordable Housing Multi-Residential	\$ 3,967,353	\$ 3,573,000	\$ 7,540,353	\$ 3,967,353	\$ 3,573,000	\$ 7,540,353	\$ 7,138,928	\$ 7,281,707	\$ 7,427,341	\$ 7,575,888	\$ 7,727,406
Change from Previous Year (\$)						\$ -	\$ (401,425)	\$ 142,779	\$ 145,634	\$ 148,547	\$ 151,518
Change from Previous Year (%)						0%	-5%	2%	2%	2%	2%
Indigenous ³	N/A	\$ 448,000	\$ 448,000	N/A	\$ 448,000	\$ 448,000	\$ -	N/A			
Change from Previous Year (\$)						\$ -	\$ (448,000)	N/A			
Change from Previous Year (%)						0%	-100%				
Low Income Total	\$ 10,704,212	\$ 12,395,000	\$ 23,099,212	\$ 10,704,212	\$ 12,395,000	\$ 23,099,212	\$ 21,514,043	\$ 21,944,324	\$ 22,383,210	\$ 22,830,875	\$ 23,287,492
Total Change from Previous Year (\$)						\$ -	\$ (1,585,169)	\$ 430,281	\$ 438,886	\$ 447,664	\$ 456,617
Total Change from Previous Year (%)						0%	-7%	2%	2%	2%	2%

1. Affordable Housing Savings by Design is under the Building Beyond Code Program from 2023-2027.

2. There are no equivalent offerings for Furnace End-Of-Life in 2023 and beyond

3. Indigenous is equivalent to Home Winterproofing in 2023 and beyond

LI Multi-Family (Custom/Prescriptive)	2021	2022	2023	2024	2025	2026	2027
Target Market Size (# of buildings) ¹	5,996	5,996	5,996	5,996	5,996	5,996	5,996
Participant Forecast ²	112	125	162	165	169	172	175
Average Saving per Participant Forecast ⁴	41,770	41,770	30,961	30,961	30,961	30,961	30,961
Total Net Annual M3 Saving	4,674,055	5,229,038	5,015,604	5,115,916	5,218,235	5,322,599	5,429,051
Forecasted Uptake (%) ⁵	1.87%	2.09%	2.70%	2.76%	2.81%	2.87%	2.92%

LI Single Family (Custom/Prescriptive)	2021	2022	2023	2024	2025	2026	2027
Target Market Size (# of homes) ¹	404,000	404,000	404,000	404,000	404,000	404,000	404,000
Participant Forecast ³	8,827	8,927	7,974	8,133	8,296	8,462	8,631
Average Saving per Participant Forecast ⁴	383	383	360	360	360	360	360
Total Net Annual M3 Saving	3,377,295	3,415,257	2,872,796	2,930,252	2,988,857	3,048,634	3,109,607
Forecasted Uptake (%) ⁵	2.18%	2.21%	1.97%	2.01%	2.05%	2.09%	2.14%

1. Target market size is an estimate based on various data points such as data such as StatsCanada Census data, third-party sources (like Environics), internal customer classifications (like Rate classes), naming conventions.

2. LI Multi-Family: 2021 & 2022 Participant Forecast is based on unique participants which is account number. One account number could have multiple buildings and /or projects. 2023-2027 Participant Forecast is based on projects. One building can have multiple projects and one project can have multiple units/measures.

3. LI Single Family: 2021 & 2022 is based on unique participants which is account number. One account number could have multiple measures and/or units. 2023-2027 Participant Forecast is based on units. One home can have multiple units.

4. The Average Savings per Participant is based on participant forecast definition above and will understate the savings as projects/buildings and homes typically have multiple measures.

5. The Forecasted Uptake is based on participant forecast definition above and can overstate the percentage of homes or projects/buildings that will participate as some project/buildings and homes will have multiple measures.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Low-Income Energy Network (LIEN)

Interrogatory

Issue 6

Question(s):

Regarding Exhibit D Tab 1 Schedule 1, pages 11 through 15 of 26, inclusive:

- a) How much of the delivery budget for each year of Winterproofing program and Affordable Housing program for 2023 to 2027 period has been allocated to health and safety upgrades to enable measure installation in the dwellings?
- b) How much budget/dwelling for each of the Winterproofing and Affordable Housing programs per year will be available to be spent on health and safety upgrades?
- c) How much budget/dwelling was available and was spent for each year from 2015 to 2021 (best available) for EGD rate zone Home Winterproofing and Low-Income Multi-Residential programs and for Union Gas's rate zone Home Weatherization and Multi-family programs on health or safety upgrades to enable measure installation in these dwellings? How many dwellings received these upgrades for each year from 2015 to 2021 (best available) and how does this compare to the total number of dwellings visited that required health or safety upgrades before measure(s) could be installed?

Response:

- a) The following is the Health & Safety budget allocated to the Home Winterproofing Program (HWP) in 2023-2027:

Year	2023	2024	2025	2026	2027
Health & Safety Budget	\$163,200	\$166,464	\$169,793	\$173,189	\$176,653

There is no specific Health and Safety budget allocation in the Affordable Housing Multi-Residential Offering. However some Health and Safety issues are addressed as part of implementation such as cleaning the dust and debris from the radiator panels during the direct install of Heat Reflector Panels.

- b) The Home Winterproofing Program ("HWP") Health and Safety budget per dwelling depends on the individual situations that are encountered by the Delivery Agents in the customers' homes. The exact budget per dwelling is variable, depending on the

number of homes participating each year, and what is needed to support these homes.

- c) Please see response to part a regarding Health and Safety Budget for the Affordable Housing Multi-Residential Offering.
- d) The following is the historical overall cost of the Health and Safety upgrades within the (HWP):

Legacy Utility	2015	2016	2017	2018	2019	2020	2021 (Year to Date)
EGD	\$223,800	\$130,000	\$101,000	\$72,000	\$51,000	\$41,330	\$30,406
Union Gas	\$920	\$4,050	\$3,487	\$6,732	\$34,642	\$76,839	\$66,304

The exact number of dwellings that have received historical Health and Safety budget is not available, as this cost has historically been captured as an overall cost per month by each Delivery Agent, not by number of actual dwellings. Moving forward in 2022, Enbridge Gas plans to make this reporting a requirement for the HWP Delivery Agents.

Please see response to part a regarding Health and Safety Budget in the Affordable Housing Multi-Residential offering.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association (LPMA)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 8

Question(s):

EGI proposes to increase the 2023 base year budget by an inflation factor as part of the annual rates proceeding.

- a) Please explain why EGI has proposed to use the consumer price index (CPI) as a proxy for inflation rather than the GDP IPI FDD inflation factor used as part of the annual rates proceeding.
- b) There are several versions of the CPI that are published by Statistics Canada. Which specific CPI measure does EGI propose to use?
- c) As part of the annual rates proceeding, the inflation factor used to increase rates (GDP IPI FDD) for the test year is based on historical data from two years prior. For example, the increase in the GDPIPIFDD for 2020 has been used as the inflation factor for 2022 rates. What time frame does EGI propose to use for 2023 and subsequent years if a version of the CPI is used?

Response:

- a) The Consumer Price Index ("CPI") tracks changes in consumer prices over time. Enbridge Gas chose to propose CPI as the inflation factor for its DSM budget costs because the majority of DSM program costs are for residential and commercial customer programs and are more closely tied to a consumer price index.
- b) Enbridge Gas proposes to use Statistics Canada Table: 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted to calculate changes in CPI.
- c) Enbridge Gas proposes to calculate the inflation factor annually using the most recently available information from Statistics Canada in time to include the update to

DSM budget costs in its annual rates application.¹ Enbridge Gas proposes the annual inflation factor be determined as the average of the annual change in the CPI for the twelve months, ending in March each year.

¹ The annual Rates application is filed by June 30 of the prior year.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association (LPMA)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 8 & Table 4

Question(s):

The evidence indicates that the inflation rate would be applied to the administrative costs associated with undertaking DSM activities and that the 3% additional increase proposed for program costs would not be applied to the administrative costs.

- a) Please break down the portfolio sub-total costs shown in Table 4 for 2023 into wages and salaries, employee benefits, employee incentive costs and third-party costs.
- b) Why has EGI not included a productivity offset associated with administrative costs in the calculation of the increase in the overall budget?

Response:

- a) Enbridge Gas notes that in the proposed DSM Budget, compensation costs only includes base salaries. Employee benefits and employee incentive costs are budgeted in base utility distribution rates. For the portfolio sub-total, available breakdowns are included in Exhibit E, Tab 4, Schedules 1, 2 and 3. The Portfolio Administration Costs of \$8,569,922 is further broken down in the response to Exhibit I.6.EGI.CCC.14 including the salary component. Third party costs are anticipated in all components of the remaining Portfolio costs, however the breakdown is expected to vary from year to year.
- b) The Company proposed a growth factor of 3% for the programs budget consistent with the direction provided in the OEB Letter on December 1, 2020. Holding the Portfolio level portion of the budget to inflation only will effectively lower the proportion of Portfolio costs over the 2023-2027 term.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association (LPMA)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 8 & Table 4

Question(s):

EGI states that the increase of 7.7% over the OEB approved budget for 2020/2021/2022 and the inflation increase used to escalate the entire 2023 budget and the 3% increase in program budgets over and above the inflationary increase takes into account the OEB's and ratepayers concerns about bill impacts.

For each of the three EGI rate zones, please provide the annual DSM related costs (including DSM budgets, shareholder incentives, LRAM adjustments, etc.) for a typical customer in each rate class. Please provide this information for each year from 2022 through 2027 assuming an inflation rate increase of 2% for DSM related costs for each of 2024 through 2027 over and above the proposed 2023 DSM costs. Please also assume no changes in rate classes as part of the expected rebasing application for any of the years.

Response:

Please see response to Exhibit I.EGI.STAFF.17a.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association (LPMA)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, Table 12 & Table 4

Question(s):

- a) Please break down the compensation cost charged to DSM into salaries/wages, benefits, employee incentive payments and any other related components.
- b) Do employees that are all or partially related to DSM activities eligible for incentive payments? If yes, are the incentives based on corporate objectives, DSM targets and/or personal objectives?
- c) If the answer to part (b) is yes, DSM related employees are eligible for incentive payments, please provide details on the types of incentives available including how the quantum of the payments are determined based on different levels of achievement.
- d) What assumption has been made in the compensation costs shown in Table 12 related to the level of forecasted incentive payments relative to the maximum amount that the employees are eligible for? Please provide the maximum eligible amount.
- e) Please provide the break down of compensation costs charged to DSM between program and portfolio costs as shown in Table 4.

Response:

- a) The compensation costs charged to DSM as provided in Exhibit D, Tab 1, Schedule 1, page 21, Table 12 only include salaries/wages. There are no employee incentive costs included here or elsewhere in the proposed DSM budget.
- b) Please see response to Exhibit I.6.EGI.STAFF.15k.
- c) Please see response to Exhibit I.6.EGI.STAFF.15k.

- d) As indicated in part a) there are no incentive costs included in the compensation costs in Table 12.
- e) The compensation costs in Table 4 would be included within the Administration costs. The breakdown of compensation costs charged to DSM between program and portfolio costs is outlined in Exhibit D, Tab 1, Schedule 1, page 21, Table 13.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Ontario Greenhouse Vegetable Growers (OGVG)

Interrogatory

Issue 6

Reference:

General

Preamble:

With respect to parts a) and b) of this interrogatory OGVG notes that it asked a similar interrogatory of EGI in EB-2019-0271 (OGVG-1) covering the 2015 to 2019 period; it is OGVG's expectation that the answers provided in that proceeding for parts a) and b) and their sub parts (as updated on April 6, 2020) are adequate for the purposes of this proceeding, subject to adding information relating to 2020.

Question(s):

a) For each rate class in both the Enbridge Gas and Union Gas franchise areas, for the years 2015 to 2020, please provide the following information in table form:

- i) The total number of customers in the rate class in each year.
- ii) The total DSM costs allocated to the rate class in each year, including amounts embedded in base rates and amounts recovered through deferral and variance accounts (or for years where disposition has not yet been applied for the forecast amounts to be recovered through deferral and variance accounts).
- iii) The total number of customers in the rate class that were DSM participants in each year.

b) Please provide in table form:

- i) The total number of customers in each rate class at the beginning of 2021.
- ii) The forecast total amount of DSM costs to be allocated to each rate class in 2021, both embedded in base rates and through deferral and variance accounts.

- iii) The total number of customers in each rate class at the beginning of 2021 that were participants in DSM offered by EGI (or its predecessor companies) from 2015 to 2020.
 - iv) The total number of customers in each rate class at the beginning of 2021 that were participants in DSM offered by EGI (or its predecessor companies) from 2015 to 2020 more than once.
 - v) The total number of customers in each rate class at the beginning of 2021 that did not participate in DSM offered by EGI (or its predecessor companies) from 2015 to 2020.
- c) With respect to the contract rate class customers identified in part b) v) of this interrogatory as having not participated in DSM offered by EGI (or its predecessor companies) over the 2015-2020 period, please provide in table form an analysis of the reasons why, to the extent known, those customers have not participated. By way of example, OGVG would expect the table to indicate the number of customers in each rate class that have been contacted by EGI for the purposes of engaging them in DSM where the customer has declined to participate for its own reasons; the number of customers that were contacted and evaluated for possible DSM programming where it was determined the customer would not benefit from the incremental DSM products offered by EGI (i.e. the customer's operations were already optimized); the number of customers that EGI has simply never been in contact with respect to possible DSM participation, and so on.
- d) Please describe what incentive, if any, there is in EGI's proposed DSM framework that incentivizes EGI to seek out new contract class customers for its DSM programming as opposed to re-visiting customers that have already participated.
- e) Please describe what dis-incentive, if any, there is in EGI's proposed DSM framework that dis-incentivizes EGI from revisiting contract class customers that they have already previously engaged in DSM programming rather than seeking out contract rate customers that have never participated in DSM programming.

Response:

The Company would like to thank OGVG for the clear reference to a previous proceeding and interrogatory. This both is helpful and efficient, and also greatly appreciated by the company staff who are trying to respond to a large number of questions in a fixed period of time.

a)

- i. Table 1 below indicates the EGD rate zones and Union rate zones annual average number of customers by rate class for the period of 2015-2020.

Table 1

General Service/Rate Zone	Rate Class	2015	2016	2017	2018	2019	2020
EGD	Rate 1	1,930,657	1,959,569	1,990,032	2,017,128	2,042,127	2,064,531
EGD	Rate 6	163,634	164,692	166,224	167,216	168,190	169,084
EGD	Rate 9	6	6	3	2	2	2
Union South	M1	1,083,032	1,097,031	1,111,544	1,127,353	1,141,279	1,154,987
Union South	M2	7,437	7,730	7,553	7,469	7,783	7,863
Union North	R01	333,773	339,334	344,458	349,354	353,643	357,603
Union North	R10	2,152	2,219	2,192	2,118	2,144	2,201
Total		3,520,692	3,570,581	3,622,006	3,670,639	3,715,168	3,756,270

Contract Market / Rate Zone	Rate Class	2015	2016	2017	2018	2019	2020
EGD	Rate 100	2	2	3	3	4	9
EGD	Rate 110	227	269	263	274	282	335
EGD	Rate 115	25	27	27	26	22	20
EGD	Rate 125	5	5	4	4	4	4
EGD	Rate 135	42	45	45	43	43	40
EGD	Rate 145	52	38	37	33	26	22
EGD	Rate 170	26	25	26	27	23	21
EGD	Rate 200	1	1	1	1	-	1
EGD	Rate 300	2	2	2	2	1	2
EGD	Rate 315	2	2	1	1	-	-
Union North	Rate_20	50	47	46	44	54	57
Union North	Rate_25	80	78	79	78	55	52
Union North	Rate_100	10	11	11	11	12	12
Union South	Rate_M4	156	165	185	208	232	239
Union South	Rate_M5	80	72	59	38	42	38
Union South	Rate_M7	28	28	30	30	36	47
Union South	Rate_M9	2	2	3	3	4	4
Union South	Rate_M10	2	2	2	3	2	2
Union South	Rate_T1	37	37	37	37	37	39
Union South	Rate_T2	22	22	23	24	25	25
Union South	Rate_T3	1	1	1	1	1	1
Total		852	881	885	891	905	969

- ii. Please see response to Exhibit I.7.EGI.STAFF.17a.
- iii. For the EGD rate zone and Union rate zones' customers who were DSM participants by rate class for the period of 2015-2019 please see the response to Exhibit I.5.EGI.GEC.5.

b)

- i. Table 2 below indicates the EGD rate zone and the Union rate zones' annual average number of customer by rate class based on January-2021 month-end

Table 2

General Service/Rate Zone	Rate Class	Jan-21
EGD	Rate 1	2,080,545
EGD	Rate 6	170,071
EGD	Rate 9	2
Union South	M1	1,163,052
Union South	M2	7,863
Union North	R01	359,753
Union North	R10	2,183
Total		3,783,469

Contract Market / Rate Zone	Rate Class	Jan-21
EGD	Rate 100	13
EGD	Rate 110	377
EGD	Rate 115	21
EGD	Rate 125	4
EGD	Rate 135	42
EGD	Rate 145	19
EGD	Rate 170	22
EGD	Rate 200	1
EGD	Rate 300	1
EGD	Rate 315	1
Union North	Rate_20	57
Union North	Rate_25	69
Union North	Rate_100	12
Union South	Rate_M4	234
Union South	Rate_M5	38
Union South	Rate_M7	52
Union South	Rate_M9	4
Union South	Rate_M10	3
Union South	Rate_T1	39
Union South	Rate_T2	25
Union South	Rate_T3	1
Total		1035

- ii. See the response to Exhibit I.7.EGI.STAFF.17a.
- iii. Table 3 below indicates the total number of customers in the EGD rate zone and Union rate zone who were DSM participants by rate class from 2015-2020

Table 3

General Service	Rate Class	Unique Customers
EGD	RATE 1	164,424
EGD	RATE 6	6,972
Union South	Rate M1	90,624
Union South	Rate M2	1,598
Union North	Rate 01	13,415
Union North	Rate 10	374
Total		277,407
Contract Market	Rate Class	Unique Customers
EGD	RATE 100	5
EGD	RATE 110	167
EGD	RATE 115	12
EGD	RATE 135	24
EGD	RATE 145	5
EGD	RATE 170	11
Union North	Rate 20	36
Union North	Rate 100	15
Union South	Rate M4	181
Union South	Rate M5	43
Union South	Rate M7	39
Union South	Rate T1	32
Union South	Rate T2	21
Total		591

NOTES:

- Table 3 includes a customer count which is not the same as the unit or participant count. In some cases, multiple units can be installed for a single customer (e.g. prescriptive programs). In other cases, programs did not report on participant numbers but are included here to be responsive (e.g. EGD Low Income TAPS).
- Table 3 includes only unique participants. Participants who participated in multiple years were only counted once.
- Rate class categorization for this analysis was determined based on the customers current rate class in order to answer b) iii and b) iv and is not necessarily the same rate class the customer was in at the time the project was implemented. The EGD rate zone home labeling program delivered in 2015 was excluded.

- iv. Table 4 below indicates the total number of customers in the EGD rate zone and Union rate zone who were DSM participants by rate class from 2015-2020, more than once

Table 4

General Service	Rate Class	Repeat Customers
EGD	RATE 1	9,837
EGD	RATE 6	1,805
Union South	Rate M1	6,460
Union South	Rate M2	530
Union North	Rate 01	1,529
Union North	Rate 10	116
Total		20,277
Contract Market	Rate Class	Repeat Customers
EGD	RATE 100	4
EGD	RATE 110	97
EGD	RATE 115	11
EGD	RATE 135	18
EGD	RATE 145	4
EGD	RATE 170	6
Union North	Rate 20	25
Union North	Rate 100	14
Union South	Rate M4	149
Union South	Rate M5	29
Union South	Rate M7	39
Union South	Rate T1	28
Union South	Rate T2	20
Total		444

NOTES:

- Table 4 includes a customer count which is not the same as the unit or participant count. In some cases, multiple units can be installed for a single customer (e.g. prescriptive programs). In other cases, programs did not report on participant numbers but are included here to be responsive (e.g. EGD Low Income TAPS).
- Rate class categorization for this analysis was determined based on the customers current rate class in order to answer b) iii and b) iv and is not necessarily the same rate class the customer was in at the time the project was implemented. The EGD rate zone home labeling program delivered in 2015 was excluded.

- v. Table 5 below indicates the total number of customers in the EGD rate zone and Union rate zone who were not DSM participants by rate class from 2015-2020

Table 5

		Customers That Have
General Service	Rate Class	not Participated
EGD	RATE 1	1,916,121
EGD	RATE 6	163,099
Union South	Rate M1	1,072,428
Union South	Rate M2	6,265
Union North	Rate 01	346,338
Union North	Rate 10	1,809
Total		3,506,060
		Customers That Have
Contract Market	Rate Class	not Participated
EGD	RATE 100	8
EGD	RATE 110	210
EGD	RATE 115	9
EGD	RATE 135	18
EGD	RATE 145	14
EGD	RATE 170	11
Union North	Rate 20	21
Union North	Rate 100	-3
Union South	Rate M4	53
Union South	Rate M5	-5
Union South	Rate M7	13
Union South	Rate T1	7
Union South	Rate T2	4
Total		360

- c) Enbridge Gas serves over 300,000 customers that comprise of both contract and non-contract rate accounts through its commercial and industrial programs. Although Enbridge Gas makes attempts to reach as many customers as possible in a given year through Energy Solutions Advisors, newsletters, trade events and by extension service providers (contractors/distributors/retailers of high-efficient equipment), it is not reasonable to expect Enbridge Gas to track every interaction with every account in a given year. That said, Enbridge Gas can provide insight into some of the main reasons why contract rate customers who have been contacted by Enbridge Gas choose not to participate in the program, they include:

- 1) Most customers have limited available funding each year, and other investment opportunities can be prioritized over energy efficiency projects as a result of low natural gas rates.

- 2) Customer's limited resources (people and time).

Due to limited tolerance for disruption in operations while installing equipment, most facilities can only execute a limited number of projects each year. As a result, productivity improvement, and process or operational change projects, or projects with high electrical savings typically take priority over natural gas efficiency projects.

- 3) Reliability issues and concerns about performance of energy efficient equipment

Producing products safely, on time and on budget is what is most important to facilities. Adding a new piece of equipment represents a risk, which can negatively impact the decision to invest in a new technology.

- 4) Other uncontrollable interruptions from time to time, such as labor/supply shortage, key staffing changes, pandemic impact, etc.

It is unlikely an Energy Solutions Advisor will visit a customer site and not identify an opportunity to improve efficiencies. Whether or not that opportunity is a priority for the individual customer account when measured against all other possible investment opportunities available is what more likely results in the customer choosing not to participate in the offering in a given year. A customer may not participate in one year, yet the same customer may participate the following year due to a change in their individual circumstances related to one of the items listed above.

- d) Enbridge Gas must achieve increasingly higher gas savings targets year over year, which requires Enbridge Gas to not only find ways to drive incremental savings among DSM participants, but also reach a broader group of customers who have not previously participated in programming. There is no specific incentive in the proposed DSM framework that incentivizes Enbridge Gas to seek out new contract class customers for its DSM programming as opposed to re-visiting customers that have already participated.
- e) Contract rate customers are large gas users with multiple heating systems and opportunities to drive efficiencies. As stated above, in order to earn incentives Enbridge Gas must achieve higher natural gas savings results year over year, which requires helping previous participants drive incremental savings as well as reaching a broader group of customers who have not previously participated in programming.

Enbridge Gas does not prioritize previous participants over non-participants, all customers are provided an equal opportunity to participate in the program.

There is no direct dis-incentive in the proposed DSM framework that disincentivizes Enbridge Gas from revisiting contract class customers that they have already previously engaged in DSM programming with.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Ontario Sustainable Energy Association (OSEA)

Interrogatory

Issue 6

Reference:

Exhibit D-1-1, Pages 10-15 of 26

Preamble:

Enbridge Gas Inc.'s ("Enbridge") Multi-year Demand Side Management ("DSM") Plan budget includes a breakdown of costs for each DSM program. OSEA is interested in understanding in more detail how the budget sub-components are defined, constructed and influenced.

Question(s):

- a) Please provide a detailed definition of each budget sub-category for Tables 4-8 of the DSM Plan budgets (i.e., Incentive Costs, Promotion Costs, Delivery Costs, and Administration Costs).
- b) The Administration Cost for the Energy Performance Program (E-1-7) and the Building Beyond Code Program (E-2-2) are a significantly higher portion of total program costs compared to other DSM programs proposed. Please provide a rationale with supporting evidence for the difference in Administration Costs for these programs.
- c) In the development of the DSM program budgets, did Enbridge take a top-down or bottom-up approach? For clarity, a top-down approach would establish an overall program budget based on escalation from previous budgets and then allocate budget to sub-categories. A bottom-up approach would select an optimal grouping of sub-category programs until additional program offerings were not cost-effective or a net benefit to rate-payers. Please provide Enbridge's rationale for taking a top-down or bottom-up approach, and any analysis conducted by Enbridge to support same.

Response

- a) Promotion, Delivery and Administration Costs are defined in Exhibit C, Tab 1, Schedule 1, pages 42-44. Incentive costs are defined in Exhibit A, Tab 3, Schedule 1, page 3.
- b) Enbridge Gas does not agree with the assertion that the Administration Cost for the Energy Performance Program (Exhibit E, Tab 2, Schedule 1) and the Building Beyond Code Program (Exhibit E, Tab 2, Schedule 2) are a significantly higher portion of total program costs compared to other DSM programs proposed, as they are at 9% and 6% respectively. Other programs range from 4% to 22% on a comparable basis, with differences largely attributed to having an inside technical sales force as the delivery channel, versus having an outside delivery channel where channel costs would be categorized under delivery.
- c) Please see response to Exhibit I.6.EGI.CME.4 regarding the establishment of the overall budget proposal. Additional details regarding the budget allocation within the overall budget envelope can be found in the response to Exhibit I.6.EGI.CCC.10b.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Pollution Probe (PP)

Interrogatory

Issue 6

Question(s):

Please provide the rate impacts for each year (2023-2027) based on the DSM Plan proposed by Enbridge.

Response:

Please see response to Exhibit I.EGI.STAFF.17a.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Pollution Probe (PP)

Interrogatory

Issue 6

Question(s):

- a) Please provide a summary of all DSM program and overhead efficiencies (actual or forecasted) for the Enbridge DSM portfolio since merging Union Gas into Enbridge that will provide benefits in 2022-2027. For each item, please identify the cost savings or incremental results expected to be achieved due to the efficiency implemented.

Response:

- a) Enbridge Gas has continued to build on the following actions discussed in the 2021 rollover to optimize administrative costs since integration.
- I. Integration of the EGD rate zone and Union rate zones' DSM organizational structures
 - II. Alignment of Program Offerings
 - III. Consolidation of Marketing and Advertising

I. Integration of Organizational Structures:

As outlined in Exhibit D, Tab 1, Schedule 1, Enbridge Gas has integrated the organizational structure across the entire DSM portfolio. The integration was completed in 2019 and is expected to remain through 2023.

As described in Exhibit D, Tab 1, Schedule 1 page 19, there has been a reduction of greater than 20 FTE across the Union and EGD rates zones. Reductions are concentrated in management roles, as most front-line roles are required to manage and execute the delivery, promotion, evaluation, tracking and reporting of the proposed programs. These efficiencies are expected to be permanent and continue into the 2023 plan.

The cost savings were not tracked but at an average FTE compensation level of \$103,000 (Exhibit D, Schedule 1, Tab 1, page 21, Table 12), this represents a savings of over \$2 million.

In addition to these reductions, Enbridge Gas has re-allocated existing resources, which it proposes to continue in 2023, from efficiencies achieved towards conservation-related activities that have emerged since the OEB approved the 2015-2020 DSM Framework and 2015-2020 DSM Plans. As outlined throughout the plan and specifically in the Municipal Engagement section (Exhibit E, Tab 4, Schedule 1 pages 3 to 5) resources have been increasingly engaged in Municipal Energy Plans, as numerous Municipalities have declared Climate Change Emergencies and have requested utility support in relation to both data collection on energy use and for technical and policy support (supporting task forces and/or advisory panels) to help drive energy conservation. Additionally, the federal government has made several announcements, related to energy conservation as part of the government's climate initiatives. Accordingly, resources have been re-allocated to promote synergies and alignment in energy conservation programming aimed at optimizing customer participation in incentive programs. These resource draws were not originally in the 2015-2020 DSM Plans, but do fit within the broader objectives of the DSM Framework and are consistent with the OEB's objective to promote energy conservation and energy efficiency.

II. Alignment of Program Offerings

Enbridge Gas has approached program offering alignment from both a customer facing point of view and from a program delivery and execution point of view.

In the case of Resource Acquisition program offers, Enbridge Gas has largely aligned the customer facing elements of the program offerings throughout the DSM portfolio and expects to complete this by 2023. The customer facing components are discussed below under Consolidation of Marketing and Advertising.

Alignment of the program delivery has resulted in some savings through reductions in association and similar costs, estimated at \$550,000/yr. There have also been avoided one-time costs, such as in 2019 the EGD rate zone was planning an upgrade of its residential customer intake system, estimated at \$220,000-\$250,000. Instead, Enbridge Gas was able to make changes to the Union rate zone system to accommodate the EGD rate zone for a savings of over \$170,000. While this savings will not be realized in 2023, if future upgrades to the system are required it will only be needed for one system instead of two.

Alignment of execution has resulted in some reductions in management as discussed in integration of organizational structure above. No savings are expected for front line delivery staff as advisors still need to work with individual customers to drive results.

III. Consolidation of Marketing and Advertising

Creative Development and Production:

In 2020-21, Enbridge Gas started and by 2023 expects to complete and retain the benefits of fully harmonizing creative development and production of all its customer facing marketing and promotional elements. Enbridge Gas also completed website integration and terminated co-branding for all programs in the Union Rate zone. Enbridge Gas's harmonization of creative development and production, and associated agency account management has resulted in significant savings. With the implementation of a fully integrated framework, further cost efficiencies will be realized in digital campaign deployment and management due to the ability to run single province-wide campaigns. The existing and future integration is expected to result in savings of approximately \$1,300,000/yr.

Tradeshows and Sponsorship Efficiencies:

Tradeshows and sponsorships were also reviewed as part of the merger. Savings of approximately \$250,000 were realized attributable to the elimination of duplicate sponsorships and attendance at tradeshows.

During the current framework and as part of the proposed plan for 2023, Enbridge Gas re-invested the cost-efficiencies found through consolidation of Marketing and Advertising to increase the reach, penetration, and adoption of DSM programs, as well as to enhance customer experience.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Issue 6

Reference:

[Ex. B/1/1, p. 12]

Question(s):

Please explain why it is proposed that the budget escalate by CPI, when all other inflation indices used by the Board use non-CPI metrics. Please provide a rationale for using CPI rather than the inflation factors currently being discussed in EB-2021-0212, or the inflation factor currently applicable to the Applicant's annual rate adjustment (GDP IPI FDD).

Response:

Please see response to Exhibit I.6.EGI.LPMA.3.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Issue 6

Reference:

[Ex. B/1/1, p. 13]

Question(s):

Please confirm that the Applicant is proposing a budget over five years of more than \$780 million, which is \$120 million (18.2%) more than the current approved budget.

Response:

The approved DSM budgets for each of the 2020, 2021 and 2022 DSM program years are \$67,757,376 for the EGD rate zone and \$64,349,541 for the Union rate zones, or a total of \$132,106,917.

The total five-year budget as escalated and proposed for the 2023-2027 DSM Plan as laid out in Table 1 at Exhibit, B, Tab 1, Schedule 1, page 13 is \$780,171,891 which can be expressed as an average of \$156,034,378 per year which is, in terms of an annual average comparison, 18.11% greater than each of the 2020, 2021 and 2022 OEB approved budgets.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Issue 6

Reference:

[Ex. B/1/1, p. 13]

Question(s):

Please provide an estimate of the total potential cost of DSM to ratepayers under the Applicant's proposal if approved by the Board, including budgets, shareholder incentives of all types proposed, LRAMVA reimbursements, and incremental spending using the DSMVA mechanism. Please detail all of your assumptions in this estimate.

Response:

Please see response to Exhibit I.7.EGI.STAFF.17a.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Issue 6

Reference:

[Ex. D/1/1, p. 9]

Question(s):

Please add columns for 2020 actuals and 2021 and 2022 forecast, to Table 2.

Response:

Please see response to Exhibit I.6.EGI.STAFF.13f.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Issue 6

Reference:

[Ex. D/1/1, p. 11]

Question(s):

Please add tables, similar in form and detail to Table 4, for 2020 actuals and 2021 and 2022 forecasts.

Response:

Please see response to Exhibit I.6.EGI.STAFF.13f.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Issue 6

Reference:

[Ex. D/1/1, p. 16]

Question(s):

Please identify the full five year budget for the Low Carbon Transition Program, and provide the full multi-year plan for that program. Please provide a detailed breakdown of that budget by year and by type of expense. Please provide any internal memoranda, presentations, reports, or other documents providing details of the budgets for the Low Carbon Transition Program for any or all of the period 2023-2027.

Response:

Please refer to Exhibit D, Tab 1, Schedule 1, pages 11 to12 for the budget breakdown of the Low Carbon Transition Program for 2023 and 2024. Please see the Attachment 1 for additional details of the budgets for the Low Carbon Transition Program for 2023 and 2024.

For budgets beyond 2024, please see response to Exhibit I.10.EGI.ED.35d.

Additionally, please see Exhibit I.9.EGI.STAFF.26 regarding the Low Carbon Transition targets.

Low Carbon Transition Program Budget

	2023	2024
Low Carbon	\$4,590,841	\$7,482,907
Administration Cost	\$203,680	\$207,754
MT Low Carbon Commercial	\$1,685,967	\$1,999,567
Incentive Cost	\$1,528,800	\$1,842,400
End User Incentives - Comm NG Hp	\$1,528,800	\$1,842,400
Promotion Cost	\$86,667	\$86,667
Business Partner Training - Comm NG Hp	\$86,667	\$86,667
Marketing Cost	\$70,500	\$70,500
Marketing - Comm NG Hp	\$70,500	\$70,500
MT Low Carbon Residential	\$2,701,194	\$5,275,586
Incentive Cost	\$2,436,750	\$4,762,720
End User Incentive - Hybrid	\$2,436,750	\$2,921,250
End User Incentive - NG Heat Pump		\$1,841,470
Promotion Cost	\$93,944	\$174,866
Business Partner Training - Hybrid	\$93,944	\$104,100
Business Partner Training - NG Heat Pump		\$70,766
Marketing Cost	\$170,500	\$338,000
Marketing - Hybrid	\$170,500	\$170,500
Marketing - NG Heat Pump		\$167,500

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Issue 6

Reference:

[Ex. D/1/1, p. 19]

Question(s):

Please identify how many FTEs from each area in the Figure also have responsibilities in other areas, such as IRP, Energy Transition, New Business, Marketing, etc., that are not covered by the DSM budgets.

Response:

The numbers in Figure 1 of Exhibit D Tab 1 Schedule 1 page 19 only include FTEs that have responsibility for DSM. Those with responsibilities for other areas have been excluded.

ENBRIDGE GAS INC.

Answer to Interrogatory from
School Energy Coalition (SEC)

Interrogatory

Issue 6

Reference:

[Ex. D/1/1, p. 25]

Question(s):

Please confirm that the two new resources for the Low Carbon Transition Program will not be delivering any offerings to customers who do not use natural gas as their heat source.

Response:

Confirmed.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (VECC)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 11, Table 4

Question(s):

- a) Please provide a further breakdown of the Residential and Low Income offering costs.
- b) Please provide a further breakdown and description of Portfolio Administration Costs of \$8,569,922.

Response:

- a) Please see the table below.

Residential Program	Break out	Total
Admin Costs		\$1,580,225
Residential DSM Compensation	\$1,488,425	
Expenses / Training	\$91,800	
Residential Whole Home		
Incentive Cost		\$26,140,935
Measure / Bonus Incentives	\$20,082,135	
Pre Audit Incentives	\$6,058,800	
Promotion Cost		\$1,527,894
Marketing	\$1,425,894	
Sponsorship	\$102,000	
Delivery Cost		\$2,961,089
Post Audit Incentives	\$2,272,050	
Customer Care Costs	\$71,400	
Delivery / Systems Costs	\$290,139	
Delivery Channel Support	\$327,500	
Residential Single Measure		
Incentive Cost		\$3,557,833
Measure Incentives	\$3,557,833	
Promotion Cost		\$804,590
Marketing	\$804,590	
Delivery Cost		\$255,000
Customer Care Costs	\$51,000	
Delivery Agent Costs	\$204,000	
Residential Smart Home		
Incentive Cost		\$2,785,875
Measure Incentives - Standard Income	\$2,467,125	
Measure Incentives - Moderate Income	\$318,750	
Promotion Cost		\$816,000
Marketing - Standard Income	\$765,000	
Marketing - Moderate Income	\$51,000	
Delivery Cost		\$375,360
Customer Care Costs	\$25,500	
Delivery Agent Costs	\$281,673	
QA/QC Costs	\$68,187	
Total		\$40,804,802

Low Income Program	Break out	Total
Admin Costs		\$1,473,642
LI DSM compensation Costs	\$1,448,142	
Sales Training / Events / Travel Costs / Expenses	\$25,500	
Home Winter Proofing		
Incentive Cost		\$9,511,755
End User Incentives	\$8,887,005	
Pre Audit	\$624,750	
Promotion Cost		\$2,499,000
Program Promotional Costs - SF LI	\$153,000	
Marketing - SF LI	\$2,346,000	
Delivery Cost		\$2,364,360
Program Delivery Fees	\$1,326,000	
Post audit & 3rd party QA/QC	\$581,400	
Assessment and Outreach	\$242,760	
Other	\$214,200	
Affordable Housing Multi-Residential		
Incentive Cost		\$6,103,628
End User Incentives	\$5,812,928	
Engineering Study - Pre Audit	\$290,700	
Promotion Cost		\$846,600
Program Promotional Costs - SF MR	\$30,600	
Marketing - MR LI	\$816,000	
Delivery Cost		\$188,700
E-Tools/Technical Updates/Research/Data cleanup	\$76,500	
Market Rate - Delivery Support	\$112,200	
Total		\$22,987,685

b) Please see the response to Exhibit I.6.EGI.CCC.14.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (VECC)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 18, Table 11

Question(s):

Table 11 shows the overall allocation of headcount within the budget at a program and portfolio level for the years 2023 and 2024.

Please add forecast 2021 to Table 11.

Response:

Enbridge Gas cannot provide this information as Enbridge Gas did not track FTEs by program in the EGD rate zone. Furthermore, several of the programs in the EGD and Union Gas rate zones in 2021 do not align with the programs in Table 11.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (VECC)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1, page 21

Question(s):

Ten additional FTE's have been identified as being necessary to address the OEB guidance, Proposed Framework guiding principles and the Government's Environmental Plan and its support for continued and expanded DSM.

Please provide the function of each position and the allocation of FTE costs to each DSM program and portfolio administration.

Response:

Please see response to Exhibit I.6.EGI.STAFF.15c.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Vulnerable Energy Consumers Coalition (VECC)

Interrogatory

Issue 6

Reference:

Exhibit D, Tab 1, Schedule 1

Question(s):

Please provide the number of vacancies per month by year for the years 2019 to 2021.

Response:

The number of vacancies per month is not available in a reliable format.

The table below shows the actual/forecasted vacancies in DSM as at December 31 of each respective year.

Table 1: DSM Vacancies as at December 31, 20xx

Year	2019 Actual	2020 Actual	2021 Forecasted
FTE Vacancies	14.3	15.7	11.7