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BY EMAIL AND WEB POSTING

December 2, 2021

**To: Enbridge Gas Inc.
Evaluation Advisory Committee
Participants in EB-2021-0072 - Enbridge Gas Inc's 2019 DSM Deferral and
Variance Account Proceeding**

**Re: 2020 Natural Gas Demand Side Management Program Results Report
(EB-2015-0245)**

The Ontario Energy Board (OEB) has posted the final 2020 Natural Gas Demand Side Management (DSM) Annual Verification Report. The 2020 Annual Verification Report was developed by the OEB's Evaluation Contractor (EC), DNV. The report includes the evaluation, measurement and verification (EM&V) results of Enbridge Gas Inc.'s (Enbridge Gas) 2020 DSM programs.¹

The process to review, verify and assemble the final report documenting the 2020 DSM program results included several months of analysis and review by the EC, with input from the OEB's Evaluation Advisory Committee (EAC), as well as OEB staff. The OEB thanks all participants in the 2020 program evaluation process.

The OEB's evaluation process continues to deliver on the OEB's legislative objective to promote energy conservation and energy efficiency in accordance with the policies of the Government of Ontario. The 2020 DSM program results were verified by the OEB consistent with its strategic goal to protect the public. Through the use of an expert third party EC, the OEB's process ensured an independent review, resulting in objective, evidence-based final results. Further, by publishing the 2020 DSM results in the year

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

following program activity, the OEB is providing clear and timely information on the performance and cost effectiveness of natural gas conservation programs. This helps ensure the programs continue to deliver valuable natural gas savings and greenhouse gas emission reductions to consumers.

The final 2020 OEB DSM results are posted on the OEB's [website](#). Enbridge Gas is expected to file its application to clear the 2020 DSM deferral and variance account balances based on the results contained in the 2020 DSM Annual Verification Report. The application will be subject to an adjudicative process.

2020 DSM Results Reports

The OEB's 2020 Natural Gas DSM Annual Verification Report provides the total verified savings achieved by all 2020 DSM programs. The EC reviewed program documentation and results and completed calculations to determine eligible shareholder incentive amounts, lost revenues and cost-effectiveness results to inform its final opinion on the 2020 DSM Results.

Similar to the EC's efforts to verify the 2019 DSM program results throughout the 2020 calendar year, due to physical distancing requirements related to COVID-19, the EC did not complete a detailed verification study of the Custom Commercial & Industrial programs that required site visits. Instead, the EC relied on the adjustment factors resulting from the 2018 evaluation of custom commercial and industrial projects, adjusted for the mix of projects installed in 2020.

Consistent with past Annual Verification Reports, the 2020 report includes recommendations from the EC that focus primarily on issues related to program data and databases, energy modelling, and cost effectiveness. The status of the EC's recommendations is also provided to allow stakeholders an understanding of the progress toward each recommendation. The EC's recommendations are provided to reduce costs (evaluation or program or both), improve savings accuracy, and decrease risk (such as risk of savings adjustments for the utility).

2021 DSM Evaluation

The deadline for Enbridge Gas to submit Draft 2021 DSM Results Reports for both legacy Enbridge Gas Distribution Inc. and legacy Union Gas Limited DSM programs is April 1, 2022. However, consistent with past practice, the OEB expects Enbridge Gas to work cooperatively with the EC to provide documentation in a timely manner to facilitate an efficient evaluation process.

The OEB will address cost awards for EAC activities to-date by separate correspondence in the near term. Questions about the 2020 DSM results report and 2020 DSM evaluation should be directed to Josh Wasylyk at josh.wasylyk@oeb.ca.

Yours truly,

Original Signed By

Christine E. Long
Registrar