



Enbridge Gas Inc.

**Application for Multi-Year Natural Gas Demand Side
Management Plan (2022 to 2027)**

PROCEDURAL ORDER NO. 6

December 14, 2021

Enbridge Gas Inc. (Enbridge Gas) applied to the Ontario Energy Board (OEB) for approval of a new natural gas demand side management (DSM) policy framework, effective January 1, 2022, as well as approval of a new multi-year DSM plan, inclusive of budgets, programs and targets from January 1, 2022 to December 31, 2027.

Mandate Letter

On November 15, 2021, the OEB received a Mandate Letter from the Minister of Energy. The Mandate Letter is included in Schedule A to this Procedural Order for informational purposes.

This Procedural Order establishes procedural steps for the next phase of the proceeding.

Evidence

Procedural Order No. 3 set out several procedural steps in this proceeding, including the deadline of November 26, 2021 for OEB staff and intervenors to file evidence. Procedural Order No. 5 extended this deadline to December 1, 2021. On December 10, 2021, Enbridge Gas filed a letter requesting the OEB allow it to file reply evidence in response to evidence filed by OEB staff and intervenors. Enbridge Gas noted that it may require an opportunity to respond to some of the evidence that relates to transitional issues and methodologies that would likely be impacted if the OEB were to accept some of the proposals put forth by other parties. The OEB approves Enbridge Gas's request to file reply evidence. Procedural steps to allow parties to ask interrogatories on Enbridge Gas's reply evidence are outlined below.

Parties should continue to format their interrogatories consistent with those previously filed. Sections 26 and 27 of the OEB's [Rules of Practice and Procedure](#) provide guidance on naming and numbering conventions and other matters related to interrogatories.

Technical Conference

As indicated in Procedural Order No. 3, the OEB will hold a transcribed Technical Conference for parties to ask clarification questions related to interrogatory responses filed on all evidence that was produced by parties. All parties that filed evidence, including the experts that authored OEB staff and intervenor evidence, should make themselves available to attend the Technical Conference.

The dates for the Technical Conference have been amended to accommodate interrogatories on Enbridge Gas' reply evidence. Steps 10 and 11 of Procedural Order No. 3 related to the Technical Conference are superseded by the dates in the Order below. OEB staff will coordinate the schedule of parties closer to the date of the Technical Conference. Parties are reminded that they are expected to work cooperatively to ensure the time reserved for the Technical Conference allows for all parties to ask questions.

Presentation Day

The OEB is making provision for a transcribed Presentation Day. Parties that have filed evidence are expected to provide a brief presentation of their evidence, beginning with the applicant, Enbridge Gas. Presentations from parties that have not filed evidence are optional. Presenting parties will have the opportunity to provide their perspective on key issues that the OEB should consider when determining the DSM policy framework and Enbridge Gas's proposed plan, having regard to the Issues List for this proceeding. The Presentation Day is not intended to substitute for the full examination of evidence at the oral hearing.

The OEB does not intend to provide an opportunity for questions of presenters, other than from the OEB. The OEB has determined that it will set a time limit of 30 minutes for those parties who have filed evidence and 10-15 minutes for parties who have not filed evidence. This does not include any additional time that may be needed to address questions from the OEB. Parties that did not file evidence but would like to make a short presentation should file a letter stating their intention to make a presentation, the topics and issues that will be addressed and the approximate length of the presentation. The OEB does not intend for presentations to extend beyond the single day scheduled in the Order below. Based on the number of parties that indicate they would like to make a presentation, the OEB will set a schedule so that all requests to present can be accommodated within the single day. This may require the length of presentations to be shortened so that all parties have an opportunity. Parties making presentations are to file any presentation materials (e.g., MS PowerPoint presentations) with the OEB by March 21, 2022 at 12:00 p.m.

Hearing

The OEB is scheduling an oral hearing for this proceeding. The dates for the oral hearing are outlined in the Order below. Due to the large number of parties and the amount of evidence on the record, the OEB expects parties to coordinate efforts and be mindful of the amount of hearing time available.

Submissions

The OEB is also scheduling final submissions at this time. Enbridge Gas's argument-in-chief should clearly describe what the OEB is being asked to approve.

The OEB is establishing a 50-page limit on submissions by intervenors and OEB staff. In their submissions, parties should clearly outline specific framework elements and DSM plan and program components that they want the OEB to establish or approve.

Recognizing that there are 19 parties in this proceeding, the OEB permits Enbridge Gas's reply submission to exceed the 50-page target limit if necessary to respond to different arguments, however the OEB expects Enbridge Gas to consider brevity in its reply submission.

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Enbridge Gas Inc. shall file any reply evidence with the OEB and deliver to all parties by **January 28, 2022**.
2. OEB staff and intervenors requesting information or material from Enbridge Gas Inc. that arises from the reply evidence filed and is relevant to the proceeding shall file written interrogatories with the OEB and deliver them to Enbridge Gas Inc. and all intervenors by **February 8, 2022**.
3. Enbridge Gas Inc. shall file its responses to the interrogatories with the OEB and deliver those responses to all parties by **February 16, 2022**.
4. A transcribed, virtual technical conference among the parties and OEB staff will be convened on **February 28, 2022**, starting at 9:30 a.m. If necessary, the technical conference will continue on **March 1-2, 2022**. Information on virtual participation will be communicated to parties later.

5. Parties that did not file evidence but would like to make a short presentation to the OEB at the Presentation Day must file a letter stating their intention to make a presentation by **March 4, 2022**. The letter should briefly discuss the topics/issues that will be addressed and the proposed length of the presentation.
6. Responses to undertakings from the technical conference shall be filed with the OEB and sent to all parties by **March 16, 2022**.
7. Parties presenting on Presentation Day shall file presentations with the OEB and serve them on all parties by **March 21, 2022** at 12:00 p.m.
8. The OEB will convene a transcribed, virtual Presentation Day on **March 24, 2022**, starting at 9:30 a.m.
9. The OEB will convene a virtual oral hearing on **March 28, 2022**, starting at 9:30 a.m. If necessary, the oral hearing will continue on **March 29 - April 1, 2022**.
10. Responses to undertakings from the oral hearing shall be filed with the OEB and sent to all other parties by **April 19, 2022**.
11. Enbridge Gas Inc. shall file its argument-in-chief with the OEB and send to all parties by **April 29, 2022**.
12. Intervenor and OEB staff who wish to file final arguments shall file them with the OEB and send to all parties by **May 19, 2022**.
13. Enbridge Gas shall file its reply argument with the OEB and send it on all parties by **June 10, 2022**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2021-0002** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [Filing Systems page](#) on the OEB's website
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Josh Wasylyk at Josh.Wasylyk@oeb.ca and OEB Counsel, Lawren Murray at Lawren.Murray@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto December 14, 2021

ONTARIO ENERGY BOARD

Original Signed By

Christine E. Long
Registrar

EB-2021-0002

Enbridge Gas Inc.

Procedural Order No. 6

Schedule A

Ministry of Energy

Office of the Minister

77 Grenville Street, 10th Floor
Toronto ON M7A 2C1
Tel.: 416-327-6758

Ministère de l'Énergie

Bureau du ministre

77, rue Grenville, 10^e étage
Toronto ON M7A 2C1
Tél. : 416-327-6758



MC-994-2021-723

November 15, 2021

Mr. Richard Dicerni
Chair
Ontario Energy Board
2300 Yonge Street, 27th floor
PO Box 2319
Toronto ON M4P 1E4

Dear Mr. Dicerni:

Thank you for your letter dated July 27, 2021 presenting the Ministry of Energy (ENERGY) with the Ontario Energy Board's (OEB) 2021 Annual Report for the fiscal year ending March 31, 2021. I have accepted the Annual Report and tabled it with the Legislative Assembly of Ontario on September 28, 2021. The report should now be made available on the OEB's website (as required by our Memorandum of Understanding).

The 2020/2021 Annual Report captures the progress the OEB made toward modernization in the year that it transitioned to its new governance structure. The OEB's commitment to modernization is further reflected in the report card on the Mandate Letter that you submitted to me on September 20, 2021.

The Mandate Letter provided to the OEB on October 1, 2020 showed an ambitious multi-year agenda for a modernized OEB. I am pleased that the OEB has taken such significant steps to promote regulatory excellence within the organization. This work was accomplished while facing the challenges associated with the COVID-19 pandemic. This period saw the OEB adapt to a remote work environment while also moving quickly to support consumers experiencing difficulties with their energy bills and industry as it responded to the crisis. I want to thank you along with the OEB's leadership team, Commissioners and dedicated staff for the incredible work done in support of Ontarians over the past year.

As you begin planning for your next Business Plan, it is my responsibility as Minister to provide you with a renewed Mandate Letter to update you on the government's priorities for the energy sector and my expectations for the OEB for the upcoming three-year planning period. It is essential that the OEB continues to make progress in implementing the priorities of the 2020 Mandate Letter, including robust performance measurement, transparent engagement with stakeholders and red tape reduction.

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The OEB has incorporated these priorities into the Strategic Themes of its 2021/22 – 2025/26 Strategic Plan – evolving to become a top quartile regulator, driving energy sector performance, protecting the public and facilitating innovation. These themes remain both relevant and necessary as the OEB updates its Business Plan to reflect the priorities set out below.

The government's priorities for the energy sector are about promoting reliability, affordability, sustainability and consumer choice. I know that the OEB has begun grappling with important questions related to these priorities, such as how to consider greenhouse gas emissions and decarbonization within the energy sector activity that the OEB regulates. I have confidence in the OEB, its commitment to modernization and that it will set its priorities and undertake its work with an eye to addressing the challenges and opportunities facing Ontario's energy sector. Within that context, I would like to highlight some initiatives where the OEB's role in delivering these priorities will be critical over the next three years:

- The OEB should continue to prioritize its work facilitating and enabling innovation and adoption of new technologies where it makes sense for customers, including implementation of the government's Green Button and Community Net Metering initiatives. Developing policies that support the adoption of non-wires and non-pipeline alternatives to traditional forms of capital investment, where cost-effective, will be essential in maintaining an effective regulatory environment amidst the increasing adoption of Distributed Energy Resources. Work that is already underway, like the Framework for Energy Innovation, should continue. I am pleased with the increased co-ordination and collaboration with stakeholders, especially the Independent Electricity System Operator (IESO). This ongoing collaboration is critical to ensure that initiatives are evaluated and decisions are made with both cost and reliability in mind.
- Increased adoption of electric vehicles (EVs) is expected to impact Ontario's electricity system in the coming years and the OEB must take steps to facilitate their efficient integration into the provincial electricity system, including providing guidance to Local Distribution Companies (LDCs) on system investments to prepare for EV adoption. I am pleased that the OEB is participating in the government's Transportation Electrification Council. I will write to you in the near future on this matter, as it relates to the OEB's Regulated Price Plan (RPP) Roadmap to improve system efficiency and give customers greater control.
- The OEB has done extensive work studying dynamic pricing plans for Class B customers. As Ontario recovers from COVID-19-related economic hardships, we must find ways to support small businesses and give businesses the tools to keep energy prices low so as to not pass on those costs to consumers. I ask that the OEB work with the IESO to develop a plan to design and implement a dynamic pricing pilot to assess the benefits for non-RPP Class B customers.

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- I expect to see the establishment of multi-year natural gas Demand Side Management (DSM) programming and the implementation of the OEB's Integrated Resource Planning framework for assessing demand-side and supply-side alternatives to pipeline infrastructure in meeting natural gas system needs. I would like to express my strong interest in a framework that delivers increased natural gas conservation savings and reduces greenhouse gas emissions. Conservation is a strong driver for cost savings for ratepayers, and with the introduction of carbon pricing, conservation can also transform homes and help protect ratepayers from the impact of the carbon tax. Natural gas conservation programs have delivered continued value for money for ratepayers – based on OEB-verified results for 2019, every dollar spent on natural gas DSM has resulted in up to \$3 in participant and social benefits.
- With regard to the next multi-year DSM programming period, it is important that the regulatory processes are optimized to increase efficiency so that they do not hinder Ontarians' access to the real savings that result from these programs. It is also important that the DSM Framework be implemented in a way that enables customers to lower energy bills in the most cost-effective way possible, and help customers make the right choices regardless of whether that is through more efficient gas or electric equipment. I also wish to stress the continued need to foster integration and alignment between natural gas and electricity conservation programs to find efficiencies and to facilitate a streamlined customer experience, where feasible. That said, I am pleased to see the continued collaboration between the IESO Conservation and Demand Management (CDM) and DSM programs in the low-income space and encourage further collaboration, as appropriate. Likewise, as communicated in a recent letter from the Ministry to the federal government encouraging collaboration between DSM and the new Canada Greener Homes Program, it is important that the OEB considers how to use Ontario's DSM programs to leverage these federal funds to benefit Ontario ratepayers.
- The *Supporting Broadband and Infrastructure Expansion Act, 2021* (Bill 257) received Royal Assent on April 12, 2021. This Act contains amendments to the *Ontario Energy Board Act, 1998* that, when proclaimed into force, would establish new authorities in support of the use of and access to electricity infrastructure for non-electricity purposes. As ENERGY considers how these authorities can support the government's objectives for rural broadband expansion, continued consultation and collaboration with the OEB will be essential.
- Modernizing and streamlining processes to reduce regulatory burden is vitally important to the work of an efficient and effective regulator. I am pleased that the OEB has taken steps in this direction in response to the 2020 Mandate Letter, including reviewing how filing requirements can be tailored to LDC size, releasing the Chief Commissioner's Plan with initiatives to enhance adjudicative processes and launching a review of the Reporting & Record-keeping Requirements.

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These plans should continue, ensuring they reflect the feedback of stakeholders and deliver results in the coming fiscal year. The OEB should also continue its work reviewing intervenor processes to identify opportunities to improve the efficiency and effectiveness.

- The OEB should continue to ensure that the structure and operations of the distribution sector constantly evolve towards optimal efficiency. To that end, the OEB should explore opportunities to enable proactive investment in energy infrastructure, such as protection and refurbishment, where utilities can prove there are long-term economic and reliability benefits to ratepayers. In previous years, these efficiencies have been found both through utility mergers/acquisitions and with the formation of innovative partnerships between utilities. Considering this, I also ask that the OEB require LDCs with fewer than 30,000 customers to file information within their cost-of-service applications on the extent to which they have investigated potential opportunities from consolidation or collaboration/partnerships with other distributors.
- Over the coming year, the government will continue its review of Ontario's long-term energy planning framework to increase the effectiveness, certainty, transparency and accountability of energy decision-making in Ontario while protecting the interests of ratepayers. I want to thank OEB staff and leadership for their contribution to the process so far and look forward to continued collaboration as we consider an appropriate role for the OEB in long-term planning.

Through these priorities we can ensure that the OEB is continuing to deliver value for Ontario's energy consumers. We are confident that as we recover from the COVID-19 pandemic, the people of Ontario are going to unleash the economic growth that is necessary for job creation, prosperity and a stronger province.

This Mandate Letter is also my opportunity to provide you with the government's broad priorities for board-governed agencies. As part of the Government of Ontario, agencies are expected to act in the best interests of Ontarians by being efficient, effective and providing value-for-money to the people of Ontario. Our government's primary focus is to protect every life and every job we possibly can. Without healthy people, we cannot have a healthy economy. As you implement your modernization plan for the OEB, I ask that you do so in a manner consistent with Ontario's priorities for board-governed agencies that are appended to this Letter.

Finally, in the coming months, my staff will continue to work with the OEB to prepare for the conclusion of the two-year transition period related to the establishment of the new governance structure. I am confident that the OEB will emerge from the transition period in October 2022 in a strong position to fully deliver on its statutory responsibilities.

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I thank you and your fellow board members for your continued support and for your valuable contributions. Should you have any questions/concerns regarding this Mandate Letter, please feel free to contact Karen Moore, Assistant Deputy Minister – Strategic, Network and Agency Policy Division at karen.moore@ontario.ca.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Smith", with a long, sweeping horizontal line extending to the right.

Todd Smith
Minister

c: David Donovan, Chief of Staff to the Minister of Energy
Dominic Roszak, Deputy Chief of Staff to the Minister of Energy
Stephen Rhodes, Deputy Minister of Energy
Susanna Zagar, CEO, Ontario Energy Board

APPENDIX: Government of Ontario Priorities for Board-Governed Agencies

1. Competitiveness, Sustainability and Expenditure Management

- Operating within your agency's financial allocations;
- Complying with applicable direction related to supply chain centralization and Realty Interim Measures for agency office space;
- Leveraging and meeting benchmarked outcomes for compensation strategies and directives; and
- Working with the ministry, where appropriate, to advance the *Ontario Onwards Action Plan*.

2. Transparency and Accountability

- Abiding by applicable government directives and policies and ensuring transparency and accountability in reporting;
- Adhering to requirements of the Agencies and Appointments Directive, accounting standards and practices, and the *Public Service of Ontario Act* ethical framework and responding to audit findings, where applicable; and
- Identifying appropriate skills, knowledge and experience needed to effectively support the board's role in agency governance and accountability.

3. Risk Management

- Developing and implementing an effective process for the identification, assessment and mitigation of risks, including planning for and responding to health and other emergency situations, including but not limited to COVID-19; and
- Developing a continuity of operations plan that identifies time critical/essential services and personnel.

4. Workforce Management

- Optimizing your organizational capacity to support the best possible public service delivery; and
- Modernizing and redeploying resources to priority areas when or where they are needed.

5. Data Collection

- Improving how the agency uses data in decision-making, information-sharing and reporting, including by leveraging available or new data solutions to inform outcome-based reporting and improve service delivery; and
- Supporting transparency and privacy requirements of data work and data sharing with the ministry, as appropriate.

6. Digital Delivery and Customer Service

- Exploring and implementing digitization or digital modernization strategies for online service delivery and continuing to meet and exceed customer service standards through transition; and
- Adopting digital approaches, such as user research, agile development and product management.

7. Diversity and Inclusion

- Developing and encouraging diversity and inclusion initiatives promoting an equitable, inclusive, accessible, anti-racist and diverse workplace;
- Demonstrating leadership of an inclusive environment free of harassment; and
- Adopting an inclusion engagement process to ensure all voices are heard to inform policies and decision-making.

8. COVID-19 Recovery

- Identifying and pursuing service delivery methods (digital or other) that have evolved since the start of COVID-19; and
- Supporting the recovery efforts from COVID-19.