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February 18, 2022

VIA EMAIL and RESS

Nancy Marconi
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (Enbridge Gas)
Ontario Energy Board (OEB) File: EB-2021-0002
Multi-Year Demand Side Management Plan (2022-2027)
Interrogatory Responses on Reply Evidence and Updated Evidence**

In accordance with the OEB's letter dated February 15, 2022, granting the request filed by Enbridge Gas for an extension, enclosed please find the interrogatory responses on the reply evidence in the above noted proceeding. Interrogatory responses have been provided by First Tracks unless otherwise noted that it is an "Enbridge Gas Response".

In accordance with the OEB's revised Practice Direction on Confidential Filings effective December 17, 2021, Enbridge Gas is requesting confidential treatment of the following exhibit – details of the specific confidential information for which confidential treatment is sought are set out below:

Exhibit	Description of Document	Confidential Information Location	Brief Description	Basis for Confidentiality Claim
I.4.EGI.GEC.2_ Attachment 1	Consulting Agreement with First Tracks Consulting Services Inc.	Pages 13 and 18	Fees and estimated budget for services	Fees and the estimated budget for services provided by First Tracks includes billing rates and as such falls under the OEB's "presumptively confidential" category. Further the fees and estimated budget are not relevant to this proceeding and providing such commercially sensitive information may limit the Company's ability to negotiate fees with consultants in the future.

Also, enclosed please find the updates to the exhibits as detailed in the chart below. Upon review of the underlying assumptions that were used to establish targets outlined in Enbridge Gas's updated DSM plan application filed on September 29, 2021, Enbridge Gas has discovered that the forecast net annual savings (m3) target for the Residential Program does not reflect a required adjustment factor. Historically, an adjustment factor has been applied to gross annual savings (m3) to account for uninstalled units of smart thermostats incented through the retail delivered portion of the Smart Home program offering. Most recently, this adjustment factor was applied to verified 2020 results and the same adjustment should have been similarly applied in the filing beginning with the 2023 gas savings target forecast attributable to the Smart Home program offering and reflected in the Residential Program metric.

Exhibit Reference	Update
D-1-2, page 13 - Table 11	Updated net benefits shared illustration
D-1-2, page 16 - Table 13	Updated Long Term (Five-Year) GHG Reduction Target
D-1-2, page 16 - Table 14	Updated Long Term (Five-Year) GHG Reduction DSMI
D-1-3, page 4 - Table 2	Updated 2023 Annual Scorecard Targets
D-1-3, page 12 - Table 8	Updated Long Term (Five-Year) GHG Reduction Target
D-1-4, page 2 - Table 1	Updated Residential Smart Home figures and corresponding totals at program and subtotal level.

Please contact the undersigned if you have any questions.

Yours truly,

**Asha
Patel**

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Asha Patel
Technical Manager Regulatory Applications

ENBRIDGE GAS DSM PLAN PROPOSAL

Shareholder Incentives

1. As outlined in the Proposed Framework, the shareholder incentive structure will encompass four separate and distinct performance incentive components to address the objectives and priorities indicated by the OEB. The infographic included on the following page is intended to provide a simple illustration of the components of the overall shareholder incentives ("DSMI"). A detailed explanation of the shareholder incentives follows the infographic.

Enbridge Gas DSM Shareholder Incentives

Updated: 2021-09-29
EB-2021-0002
Exhibit D
Tab 1
Schedule 2
Page 2 of 16

Shareholder incentives (DSMI) align the Company with ratepayer interests and support multiple objectives achieved through four performance mechanisms.

Annual scorecard achievement

Earned on achievement against annual targets.

Distinct annual resource acquisition scorecards

Residential Program
Low Income Program
Commercial Program
Industrial Program
Large Volume Program

Annual targets escalated by target adjustment mechanism

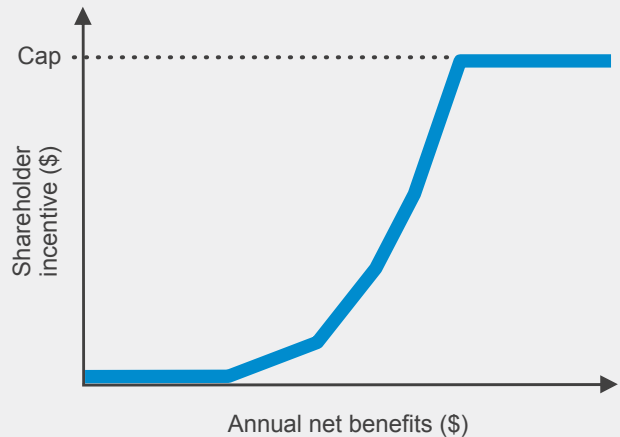
Multi year program scorecards

Building Beyond Code Program
Energy Performance Program

Fixed annual targets

Annual net benefits

Earned as a percentage of net benefits.



Long term scorecard achievement

Earned on achievement against two- and three-year targets.

Low Carbon Transition Program

Fixed two- and three-year targets

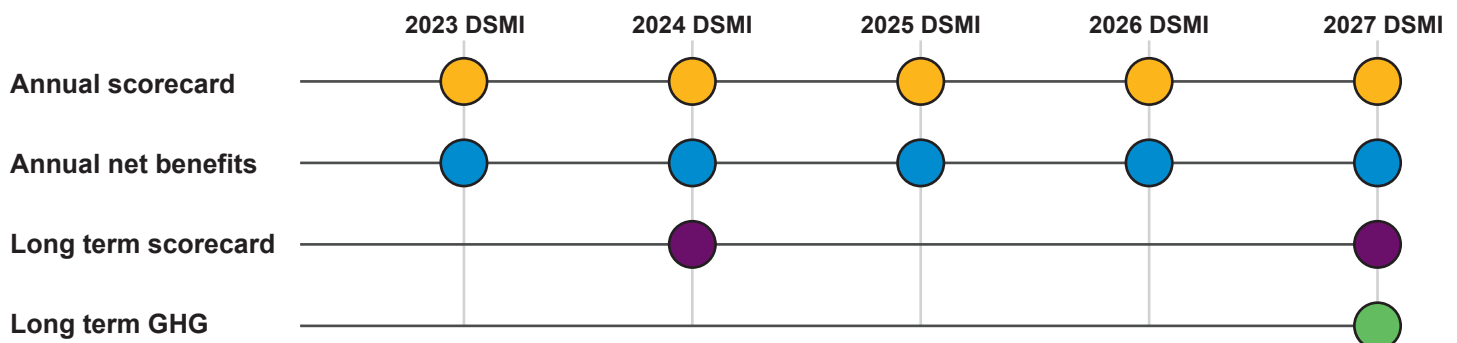
Long term GHG achievement

One time earning opportunity, assessed at the end of five-year term.

Gross GHG long term stretch target

Incentive conditional on achieving/exceeding target.

Shareholder incentive schedule



Distribution of the Maximum Shareholder Incentive Amount

2. As outlined in the Proposed Framework, the maximum annual shareholder incentive achievable for Enbridge Gas should be based on the total amount approved for the utilities in the 2015-2020 Framework (and again for each of the 2021 and 2022 DSM Plans), or \$20.9 million. This maximum shareholder incentive is divided between annual shareholder incentives and long term shareholder incentives, as follows:

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Annual Maximum Shareholder Incentives

3. Putting aside \$1.4 million proposed for long term incentives described below, the balance of the previously approved \$20.9 million, or \$19.5 million, maximum shareholder incentive is to be escalated for inflation (assumed to be 2%) over the course of the five-year term, beginning in 2023, as illustrated in Table 1 below, and would be assessed annually and allocated towards performance relative to i) annual scorecards; and, ii) achievement of overall net benefits.

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Table 1: Maximum Annual Shareholder Incentive

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	2023	2024	2025	2026	2027
Annual Scorecards Maximum Incentive	\$13,260,000	\$13,525,200	\$13,795,704	\$14,071,618	\$14,353,050
Annual Net Benefits Maximum Incentive	\$6,630,000	\$6,762,600	\$6,897,852	\$7,035,809	\$7,176,525
Total Annual Maximum DSMI	\$19,890,000	\$20,287,800	\$20,693,556	\$21,107,427	\$21,529,576

Long Term Shareholder Incentives

4. Enbridge Gas proposes allocating \$1.4 million each year, or \$7.0 million over the five-year term, toward the two longer term objectives outlined below, specifically the Low Carbon Transition Program and the Long Term GHG Reduction target. Table 2 below illustrates how the \$2M for the Low Carbon Transition Scorecard and the \$5M for the Long Term GHG Reduction Target accrues each year.

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Table 2: Long Term Shareholder Incentive Amounts

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	2023	2024	2025	2026	2027	Five-Year Total
Low Carbon Transition Scorecard ¹	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
Long Term GHG Reduction Target ²	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000
Total Long Term Incentives	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$7,000,000

1. Achievement of the Low Carbon Transition Scorecard incentive is determined at the end of the 2024 program year and at the end of the 2027 program year. Re-assessed at the mid-point assessment.

2. Achievement of the Long Term GHG Reduction Target incentive is determined at the end of the 2027 program year.

Annual Scorecards Incentive

5. The Annual Scorecards Incentive is a scorecard approach whereby Enbridge Gas is assessed annually in its performance against a set of independent scorecards comprised of defined annual metrics. These metrics would relate to program activities, including net annual natural gas savings (m³) as appropriate, to align with the objectives of the underlying program offerings. As described in Section 5.1, of the Proposed Framework,¹ targets at 50%, 100% and 150% will be established for each scorecard. To achieve the maximum shareholder incentive, Enbridge Gas will be required to meet a weighted score of 150% on each of its scorecards. No shareholder incentive will be paid on a given scorecard for achieving a scorecard weighted result of less than 50%. For a given scorecard, one-half (50%) of the maximum shareholder incentive tied to that scorecard will be awarded for a weighted scorecard performance of 100% on that scorecard. Results will be linearly interpolated between scorecard weighted results between 50% and 150% achievement. Where more than one metric is defined on a given scorecard, the minimum achievement for each individual metric is 0% and the maximum achievement is 200%. Scorecard DSMI achievement is illustrated in Table 3 below:

¹ EB-2021-0002, Application, Proposed Framework, Exhibit C, Tab 1, Schedule 1, Section 5.1.

Table 3: Scorecard DSMI Achievement

DSMI achievement for each scorecard less than 50% weighted scorecard achievement	DSMI achievement for each scorecard at 100% weighted scorecard achievement	DSMI achievement for each scorecard at 150% weighted scorecard achievement
0	50% of maximum shareholder incentive	100% of maximum shareholder incentive

6. As laid out in Table 1 above, two-thirds of the maximum annual incentive, or for example, \$13.26 million in 2023, would be allocated to achievement relative to the annual scorecards. Enbridge Gas does not believe the maximum shareholder incentive should be allocated in proportion to budget. Doing so does not provide an appropriate weighting to reflect a reasonable and balanced approach to all programs and all sectors, nor all the OEB's objectives for Enbridge Gas in delivering DSM to all customers. Instead, Enbridge Gas has proposed defined allocations of the maximum annual incentive for each of the annual scorecards to provide a clear well-balanced inducement for the Company to focus efforts across all sectors and proposed programs. The proposed annual scorecard shareholder incentive allocation is labelled as 'DSMI Allocation' in Tables 5-9 below which illustrates the proposed weighting across the 2023-2027 Annual Scorecards. The proposed targets corresponding to these scorecards are detailed in Exhibit D, Tab 1, Schedule 3.

7. DSMI is assessed independently on each scorecard, based on the achievement of each program and its related scorecard for:

- Residential Program
- Low Income Program
- Commercial Program
- Industrial Program
- Large Volume Program
- Energy Performance Program
- Building Beyond Code Program

Table 4: 2022 Annual Scorecards

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Table removed in response to OEB Decision on 2022 DSM Plan.

Table 5: 2023 Annual Scorecards

2023 Annual Scorecards	Offering(s)	Metric	Metric Weight	DSMI Allocation	DSMI below 50% Score	DSMI at 100% Score	DSMI at 150% Score
Residential Program	Residential Whole Home Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m³)	100%	22.0%	\$0	\$1,458,600	\$2,917,200
Low Income Program	Home Winterproofing	Single Family Net Annual Gas Savings (m³)	50%	22.0%	\$0	\$1,458,600	\$2,917,200
	Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m³)	50%				
Commercial Program	Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m³) ¹	50%	22.0%	\$0	\$1,458,600	\$2,917,200
		Small Customer Net Annual Gas Savings (m³) ¹	50%				
Industrial Program	Industrial Custom	Net Annual Gas Savings (m³)	100%	22.0%	\$0	\$1,458,600	\$2,917,200
Large Volume Program	Direct Access	Net Annual Gas Savings (m³)	100%	3.0%	\$0	\$198,900	\$397,800
Energy Performance Program	Whole Building Pay For Performance (P4P)	Number of Participants (P4P) ²	100%	1.0%	\$0	\$66,300	\$132,600
		Net Annual Gas Savings (m³) ²	0%				
Building Beyond Code Program	Residential Savings by Design	Number of Energy Star Homes ³	30%	8.0%	\$0	\$530,400	\$1,060,800
		Number of Net Zero Ready Homes ³	0%				
	Commercial Savings by Design	Number of Participants	30%				
	Affordable Housing Savings By Design	Number of Participants	30%				
	Commercial Air Tightness Testing	Number of Participants	5%				
		Number of Qualified Agents	5%				
Total				100%	\$0	\$6,630,000	\$13,260,000

1. Large commercial customers have a three year average annual consumption greater than/or equal to 100,000 m³/yr. Small commercial customers have a three year average annual consumption below 100,000 m³/yr.
2. Whole Building P4P metrics are weighted 50/50% except for year 1 (2023) which is 100/0% as no savings measured until year 2.
3. Residential SBD metrics are weighted 50/50% except for year 1 (2023) which is 100/0% as no Net Zero building until year 2.

Table 6: 2024 Annual Scorecards

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2024 Annual Scorecards	Offering(s)	Metric	Metric Weight	DSMI Allocation	DSMI below 50% Score	DSMI at 100% Score	DSMI at 150% Score
Residential Program	Residential Whole Home Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	22.0%	\$0	\$1,487,772	\$2,975,544
Low Income Program	Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	22.0%	\$0	\$1,487,772	\$2,975,544
	Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%				
Commercial Program	Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ¹	50%	22.0%	\$0	\$1,487,772	\$2,975,544
		Small Customer Net Annual Gas Savings (m ³) ¹	50%				
Industrial Program	Industrial Custom	Net Annual Gas Savings (m ³)	100%	22.0%	\$0	\$1,487,772	\$2,975,544
Large Volume Program	Direct Access	Net Annual Gas Savings (m ³)	100%	3.0%	\$0	\$202,878	\$405,756
Energy Performance Program	Whole Building Pay For Performance (P4P)	Number of Participants (P4P)	50%	1.0%	\$0	\$67,626	\$135,252
		Net Annual Gas Savings (m ³)	50%				
Building Beyond Code Program	Residential Savings by Design	Number of Energy Star Homes	15%	8.0%	\$0	\$541,008	\$1,082,016
	Residential Savings by Design	Number of Net Zero Ready Homes	15%				
	Commercial Savings by Design	Number of Participants	30%				
	Affordable Housing Savings By Design	Number of Participants	30%				
	Commercial Air Tightness Testing	Number of Participants	5%				
	Commercial Air Tightness Testing	Number of Qualified Agents	5%				
Total				100%	\$0	\$6,762,600	\$13,525,200

1. Large commercial customers have a three year average annual consumption greater than/or equal to 100,000 m3/yr. Small commercial customers have a three year average annual consumption below 100,000 m3/yr.

Table 7: 2025 Annual Scorecards

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2025 Annual Scorecards	Offering(s)	Metric	Metric Weight	DSMI Allocation	DSMI below 50% Score	DSMI at 100% Score	DSMI at 150% Score
Residential Program	Residential Whole Home Measure Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	22.0%	\$0	\$1,517,527	\$3,035,055
Low Income Program	Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	22.0%	\$0	\$1,517,527	\$3,035,055
	Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%				
Commercial Program	Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ¹	50%	22.0%	\$0	\$1,517,527	\$3,035,055
		Small Customer Net Annual Gas Savings (m ³) ¹	50%				
Industrial Program	Industrial Custom	Net Annual Gas Savings (m ³)	100%	22.0%	\$0	\$1,517,527	\$3,035,055
Large Volume Program	Direct Access	Net Annual Gas Savings (m ³)	100%	3.0%	\$0	\$206,936	\$413,871
Energy Performance Program²	Whole Building Pay For Performance (P4P)	Number of Participants (P4P)	50%	1.0%	\$0	\$68,979	\$137,957
		Net Annual Gas Savings (m ³)	50%				
Building Beyond Code Program²	Residential Savings by Design	Number of Energy Star Homes	15%	8.0%	\$0	\$551,828	\$1,103,656
	Residential Savings by Design	Number of Net Zero Ready Homes	15%				
	Commercial Savings by Design	Number of Participants	30%				
	Affordable Housing Savings By Design	Number of Participants	30%				
	Commercial Air Tightness Testing	Number of Participants	5%				
	Commercial Air Tightness Testing	Number of Qualified Agents	5%				
Total				100%	\$0	\$6,897,852	\$13,795,704

1. Large commercial customers have a three year average annual consumption greater than/or equal to 100,000 m3/yr. Small commercial customers have a three year average annual consumption below 100,000 m3/yr.

2. Energy Performance and Building Beyond Code Programs to be reassessed at the mid-point assessment.

Table 8: 2026 Annual Scorecards

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2026 Annual Scorecards	Offering(s)	Metric	Metric Weight	DSMI Allocation	DSMI below 50% Score	DSMI at 100% Score	DSMI at 150% Score
Residential Program	Residential Whole Home Measure Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	22.0%	\$0	\$1,547,878	\$3,095,756
Low Income Program	Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	22.0%	\$0	\$1,547,878	\$3,095,756
	Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%				
Commercial Program	Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ¹	50%	22.0%	\$0	\$1,547,878	\$3,095,756
		Small Customer Net Annual Gas Savings (m ³) ¹	50%				
Industrial Program	Industrial Custom	Net Annual Gas Savings (m ³)	100%	22.0%	\$0	\$1,547,878	\$3,095,756
Large Volume Program	Direct Access	Net Annual Gas Savings (m ³)	100%	3.0%	\$0	\$211,074	\$422,149
Energy Performance Program²	Whole Building Pay For Performance (P4P)	Number of Participants (P4P)	50%	1.0%	\$0	\$70,358	\$140,716
		Net Annual Gas Savings (m ³)	50%				
Building Beyond Code Program²	Residential Savings by Design	Number of Energy Star Homes	15%	8.0%	\$0	\$562,865	\$1,125,729
	Residential Savings by Design	Number of Net Zero Ready Homes	15%				
	Commercial Savings by Design	Number of Participants	30%				
	Affordable Housing Savings By Design	Number of Participants	30%				
	Commercial Air Tightness Testing	Number of Participants	5%				
	Commercial Air Tightness Testing	Number of Qualified Agents	5%				
Total				100%	\$0	\$7,035,809	\$14,071,618

1. Large commercial customers have a three year average annual consumption greater than/or equal to 100,000 m3/yr. Small commercial customers have a three year average annual consumption below 100,000 m3/yr.

2. Energy Performance and Building Beyond Code Programs to be reassessed at the mid-point assessment.

Table 9: 2027 Annual Scorecards

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2027 Annual Scorecards	Offering(s)	Metric	Metric Weight	DSMI Allocation	DSMI below 50% Score	DSMI at 100% Score	DSMI at 150% Score
Residential Program	Residential Whole Home Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	22.0%	\$0	\$1,578,836	\$3,157,671
Low Income Program	Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	22.0%	\$0	\$1,578,836	\$3,157,671
	Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%				
Commercial Program	Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ¹	50%	22.0%	\$0	\$1,578,836	\$3,157,671
		Small Customer Net Annual Gas Savings (m ³) ¹	50%				
Industrial Program	Industrial Custom	Net Annual Gas Savings (m ³)	100%	22.0%	\$0	\$1,578,836	\$3,157,671
Large Volume Program	Direct Access	Net Annual Gas Savings (m ³)	100%	3.0%	\$0	\$215,296	\$430,592
Energy Performance Program²	Whole Building Pay For Performance (P4P)	Number of Participants (P4P)	50%	1.0%	\$0	\$71,765	\$143,531
		Net Annual Gas Savings (m ³)	50%				
Building Beyond Code Program²	Residential Savings by Design	Number of Energy Star Homes	15%	8.0%	\$0	\$574,122	\$1,148,244
	Residential Savings by Design	Number of Net Zero Ready Homes	15%				
	Commercial Savings by Design	Number of Participants	30%				
	Affordable Housing Savings By Design	Number of Participants	30%				
	Commercial Air Tightness Testing	Number of Participants	5%				
	Commercial Air Tightness Testing	Number of Qualified Agents	5%				
Total				100%	\$0	\$7,176,525	\$14,353,050

1. Large commercial customers have a three year average annual consumption greater than/or equal to 100,000 m3/yr. Small commercial customers have a three year average annual consumption below 100,000 m3/yr.

2. Energy Performance and Building Beyond Code Programs to be reassessed at the mid-point assessment.

Annual Net Benefits Shared Savings

8. In response to stakeholder feedback at the 2015-2020 DSM Framework Mid-Term Review, and continued input through the Post-2020 DSM Framework consultation, a shared savings mechanism where Enbridge Gas can annually share a small portion of the overall economic benefits produced by the portfolio of DSM programs that accrue to ratepayers based on net benefits calculated by way of the Total Resource-Plus Cost Test has been introduced. This annual net benefit shared savings would be earned as follows:²

- 0% shared savings for the first \$100 million in net benefits
- Increasing % shared savings, up to an annual cap, for incremental achievement of net benefits, subject to the schedule in Table 10:

Table 10: Net Benefits Shared Savings Schedule

Net Benefit Range	Percentage of Net Benefits Shared
\$0 - \$100 million	0.00%
\$100 - \$200 million	1.00%
\$200 - \$300 million	1.25%
\$300 - \$400 million	1.50%
\$400 - \$500 million	2.00%
\$500+ million	2.50%

9. The remaining one-third of the annual incentive would be allocated to the achievement of net benefits on the overall DSM portfolio annually. Table 11 below provides an illustration of how the annual net benefits shared savings would be determined for the 2023 DSM program year based on the forecast net benefits.

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² This approach and the proposed earning schedule and thresholds presume Enbridge Gas will deliver a full range of DSM programming across all customer sectors including Residential, Low Income, Commercial, Industrial and Large Volume.

10. The maximum capped shared savings earning opportunity for 2023 is \$6.63 million and would be escalated for inflation (assumed to be 2% annually) each year thereafter as illustrated in Table 1 above.

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Table 11: Net Benefits Shared Savings Illustration

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Net Benefits	2023 Forecast Estimate		
Max Annual Shared Savings	\$6,630,000		
Forecasted 2023 Net Benefits (\$) Result ^{1 2}	\$364,502,976		
Net Benefit Range	Percentage of Net Benefits Shared	Max Annual DSMI By Range	Forecasted Calculated Incentive By Range
\$0M - \$100M	0.00%	\$0	\$0
\$100M - \$200M	1.00%	\$1,000,000	\$1,000,000
\$200M - \$300M	1.25%	\$1,250,000	\$1,250,000
\$300M - \$400M	1.50%	\$1,500,000	\$967,545
\$400M - \$500M	2.00%	\$2,000,000	\$0
\$500M+	2.50%	\$880,000	\$0
Total		\$6,630,000	\$3,217,545

1. The value presented is a forecast of the 2023 Net Benefits and is provided to illustrate the Net Benefits shared savings earning opportunity (See Table 1 in Exhibit D, Tab 1, Schedule 4 for the TRC-Plus and Net Benefits Analysis for 2023).

2. Forecast 2023 TRC-Plus Benefits are calculated using 2021 Avoided Costs (best available at the time of plan submission).

Long Term Scorecard Incentive: Low Carbon Transition Program

11. A portion of the maximum shareholder incentive has been allocated to the multi-year Low Carbon Transition program. This program is designed to increase awareness, training, and installation of heat pump technologies in the province over time aligned with the Pan Canadian Framework as described in Exhibit E, Tab 3, Schedule 1. A shareholder incentive linked to the achievement of metrics in this program will be gauged over a two-year period (instead of annually) and again at the end of the five-year term. Similar to the annual scorecards described above, targets at 50%, 100%

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and 150% will be established for the weighted scorecard. The minimum achievement for each individual metric will be 0% and the maximum achievement will be 200%. To achieve the maximum shareholder incentive designated on this scorecard, at the end of the three-year period, Enbridge Gas will be required to meet the maximum weighted score of 150%. No shareholder incentive will be paid for achieving a scorecard weighted result of less than 50%. One-half (50%) of the maximum shareholder incentive will be awarded for a weighted scorecard performance of 100% on that scorecard. As with the annual scorecards, results will be linearly interpreted between scorecard weighted results between 50% and 150% achievement. Any shareholder incentive achieved relative to this scorecard would be determined following the two-year period toward the end of 2024. Details pertaining to this shareholder incentive for the second-half of the multi-year DSM Plan term will be determined based on Enbridge Gas's proposal at the mid-point assessment. /u

12. As illustrated in Table 2 above, \$2.0 million of the \$7.0 million will be allocated to achievement in the Low Carbon Transition program, of which \$800,000 would be assessed at the end of the first two-year period (ending 2024) based on achievement of metrics outlined for the Low Carbon Transition program scorecard and the remaining \$1.2 million would be assessed at the end of the multi-year term (ending 2027). The Low Carbon Transition scorecard, including two-year targets, is illustrated in Table 12 below. The proposed targets corresponding to the Low Carbon Transition scorecard is detailed in Exhibit D, Tab 1, Schedule 3. /u

Table 12: Long Term Scorecard: Low Carbon Transition Program

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2023-2024 Long Term Scorecard	Offering(s)	Metric	Metric Weighting	DSMI below 50% Score	DSMI at 100% Score	DSMI at 150% Score
Low Carbon Transition Program	Residential Low Carbon	Number of Installations (Residential Heat Pumps)	25%	\$0	\$400,000	\$800,000
		Number of Contractors Trained (Residential Heat Pumps)	25%			
	Commercial Low Carbon	Number of Installations (Commercial Heat Pumps)	25%			
		Number of Engineers Trained (Commercial Heat Pumps)	25%			

1. Low Carbon Transition Programs for 2025-2027 to be reassessed at the mid-point assessment.

Long Term GHG Reduction Incentive

13. In response to the OEB's DSM letter, calling on "Enbridge Gas to develop a longer-term natural gas savings reduction target, separate from the annual targets, that it will work to achieve by the end of the next multi-year DSM term,"³ the Company is proposing a Long Term GHG Reduction target to be measured at the end of the five-year term. At that time, Enbridge Gas will have an opportunity to earn the allocated portion of the shareholder incentive if the Company has achieved the five-year GHG reduction target. The proposed target metric is the GHG reductions realized through the summation of annual gross natural gas savings targeted in the first year of the plan multiplied by the five-year term of the DSM Plan with an additional 15% stretch target. No incentive will be earned unless the target is achieved or exceeded.

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14. As illustrated in Table 2 above, \$5 million will be allocated to achievement on the Long Term GHG Reduction target which will be assessed at the end of the five-term year. The Long Term GHG Reduction target is illustrated further in Table 13 and

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³ EB-2019-0003, OEB Letter Post-2020 Natural Gas Demand Side Management Framework (December 1, 2020), p. 5.

Table 14 below. Table 13 illustrates the determination of the proposed target and Table 14 illustrates how any long term GHG reduction shareholder incentive would/would not be earned by the Company based on three illustrative scenarios.

Table 13: Long Term (Five-Year) GHG Reduction Target

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Target Development	
2023 Forecast Portfolio Gross Annual m ³	241,639,442
kg CO ₂ e / m ³ of Natural Gas	1.874
Year 1 (2023) Gross Annual GHG (tonnes)	452,832
Years	5
Stretch Factor	15%
Long Term (Five-Year) GHG Reduction Target - (tonnes)	2,603,786

Table 14: Long Term (Five-Year) GHG Reduction DSMI

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Long Term GHG Reduction DSMI Scenario Analysis			
	Achieve Less than 100% Target	Achieve 100% of Target	Achieve Greater than 100% Target
Sum of 2023-2027 Gross Annual GHG Reduction Achievement		2,603,786	
Long Term (Five-Year) GHG DSMI Earned	\$0	\$5,000,000	\$5,000,000

DSM PLAN TARGETS

Annual Scorecard Targets

1. The DSM Plan annual scorecard targets outlined below have been informed by a number of inputs including, but not limited to:

- Past results in Enbridge Gas's historical level of achievement and program effectiveness including; analysis of participation levels, participating customer investigation, sector analysis, and measure and project breakdown;
- Consultation with delivery agents, contractors and business partners;
- Jurisdictional scans to determine how key program elements compared with similar jurisdictions;
- Internal stakeholdering to gain market insights with Enbridge Gas's own Energy Service Advisors who maintain customer and business partner relationships and well understand the opportunities and barriers in the current marketplace;
- Market research with customers to further understand opportunities and barriers;
- Consideration of the OEB's guidance with respect to expectations for modest budget increases and commensurate appropriate rate impacts for customers; and
- Broad consideration of the Achievable Potential Study (discussed in Exhibit E, Tab 4, Schedule 7).

2. The annual scorecards are divided into categories:

- i. Scorecards whose base year 2023 targets have been proposed by Enbridge Gas, with consideration for the inputs described above. Subsequent, 2024-2027 year-over-year targets will be determined by way of a formulaic Target Adjustment Mechanism ("TAM"). These scorecards are based on Resource Acquisition type programs who metrics are primarily natural gas savings

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reductions (m³). Base year, 2023 targets have been proposed by Enbridge Gas. The TAM methodology will be applied to determine subsequent year targets. The TAM approach is detailed in the Proposed Framework, Exhibit C, Tab 1, Schedule 1, Section 5.2. This group includes the following scorecards (program descriptions for these can be found in Exhibit E, Tab 1, Schedules 2 through 6):

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- Residential Program Scorecard
- Low Income Program Scorecard
- Commercial Program Scorecard
- Industrial Program Scorecard
- Large Volume Program Scorecard

- ii. Scorecards for program offerings which are “multi-year” in nature such that the activities and participant involvement in these offerings spans more than one year. These offerings include a progression of related activities and/or an initial ramp-up in the first year. Due to the nature of these types of program offerings, their metrics are not necessarily amenable to m³ targets and instead reflect the specific objectives of each program offering. The annual targets for these program offerings cannot easily be addressed utilizing a formulaic TAM calculation. As such, specific targets for each metric specified for these offerings has been proposed by Enbridge Gas. This group includes the following scorecards (program descriptions for these can be found in Exhibit E, Tab 2, Schedule 1 and Schedule 2 respectively):

- Energy Performance Program Scorecard
- Building Beyond Code Program Scorecard

3. The 2023-2027 Annual Scorecard Targets are outlined in Tables 2-6 below inclusive of metrics, weightings and 100% targets, lower (50%) and upper (150%) targets for each scorecard.

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Table 1: 2022 Annual Scorecard Targets

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Table removed in response to OEB Decision on 2022 DSM Plan.

Table 2: 2023 Annual Scorecard Targets

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Offering(s)	Metric	Metric Weighting	Lower Band (50%) ¹	2023 100% Target	Upper Band (150%) ¹
Residential Program Scorecard					
Residential Whole Home Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	6,818,933	13,637,865	20,456,798
Low Income Program Scorecard					
Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	1,436,398	2,872,796	4,309,194
Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%	2,507,802	5,015,604	7,523,406
Commercial Program Scorecard					
Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ²	50%	7,720,641	15,441,281	23,161,922
	Small Customer Net Annual Gas Savings (m ³) ²	50%	4,457,031	8,914,062	13,371,094
Industrial Program Scorecard					
Industrial Custom	Net Annual Gas Savings (m ³)	100%	25,188,449	50,376,897	75,565,346
Large Volume Program Scorecard					
Direct Access	Net Annual Gas Savings (m ³)	100%	4,650,000	9,300,000	13,950,000
Energy Performance Program Scorecard					
Whole Building Pay For Performance (P4P) ³	Number of Participants	100%	12.5	25	37.5
	Net Annual Gas Savings (m ³)	0%	0	0	0
Building Beyond Code Program Scorecard					
Residential Savings By Design ⁴	Number of Energy Star Homes	30%	725	1,450	2,175
	Number of Net Zero Ready Homes	0%	0	0	0
Commercial Savings By Design	Number of Participants	30%	14	28	42
Affordable Housing Savings By Design	Number of Participants	30%	9	18	27
Commercial Air Tightness Testing	Number of Participants	5%	2.5	5	7.5
	Number of Qualified Agents	5%	5	10	15

1. The calculation of the Upper and Lower Bands of the 100% Targets result in non-integer amounts and the Scorecard Incentive will be calculated based on these precise thresholds.

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.

3. Whole Building P4P metrics are weighted 50%/50% except for yr. 1 (2023) which is 100%/0% as no energy savings are measured until yr. 2.

4. Residential SBD metrics are weighted 50%/50% except for year 1 (2023) which is 100%/0% as no Net Zero buildings until year 2.

Consideration of Inputs Impacting 2023 Annual Scorecard Targets:

4. While Enbridge Gas has outlined proposed targets for the 2023 base year of the DSM Plan, it should be noted that there are cases where the 2023 targets will need to be adjusted. While the Proposed Framework (Exhibit C, Tab 1, Schedule 1, Section 9.2) outlines a number of cases where changes to input assumptions and adjustment factors would impact targets in the following year, since 2023 targets are not formulaic based on prior year results, Enbridge Gas is outlining the specific cases below that will necessitate updates to 2023 targets. No other changes to input assumptions would trigger any such update to 2023 proposed targets.

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- Input assumption changes made to prescriptive measures through any TRM update process completed in 2021 or 2022.
 - Since 2023 targets are based on the TRM measure inputs at the time of filing (and prior to the completion of any 2021 or 2022 TRM updates), if any inputs are updated in the 2021 or 2022 TRM processes, 2023 targets should be updated accordingly.
- Codes and standards changes in 2021, 2022 or 2023.
 - As outlined in the Proposed Framework, Section 9.3, changes to codes and standards should be included in both results and targets. This ensures targets are not inappropriately set based on outdated codes and standards. Should a code change occur before or during 2023, the 2023 targets should be updated accordingly.
- Net-to-Gross (“NTG”) adjustment changes if NTG studies are completed as part of the 2021 or 2022 program year evaluation and verification process.¹
 - Since 2023 targets are based on NTG value estimates based on currently best available information for NTG adjustments, if a NTG study is completed on the 2021 or 2022 program year, the 2023 targets should be updated based on the new NTG adjustments from the study.

¹ Or completed in the 2021 or 2022 program years for NTG studies that would be applied prospectively.

- Changes to input assumptions and adjustment factors for new prescriptive measures submitted in the DSM plan.
 - Any input assumptions and adjustment factors for new prescriptive measures included in the DSM Plan that have not been submitted to the Evaluation Contractor (“EC”) should be treated as placeholder values. A list of specific measures can be found in Exhibit E, Tab 5, Schedule 1, Table 2. Once Enbridge Gas submits measure research and substantiation documentation to the EC, the 2023 targets should be updated based on those updated values. If further changes are made in 2022 through the TRM update process, the 2023 targets should reflect the newly updated values. /u
- Any specific changes to input assumptions or adjustment factors included in Enbridge Gas’s proposed 2023 targets that are made through the course of this DSM Plan application approval process. /u

Table 3: 2024 Annual Scorecard Targets

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Offering(s)	Metric	Metric Weighting	Lower Band (50%) ¹	2024 100% Target	Upper Band (150%) ¹
Residential Program Scorecard					
Residential Whole Home Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Low Income Program Scorecard					
Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	TAM x 50%	TAM ³	TAM x 150%
Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%	TAM x 50%	TAM ³	TAM x 150%
Commercial Program Scorecard					
Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ²	50%	TAM x 50%	TAM ³	TAM x 150%
	Small Customer Net Annual Gas Savings (m ³) ²	50%	TAM x 50%	TAM ³	TAM x 150%
Industrial Program Scorecard					
Industrial Custom	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Large Volume Program Scorecard					
Direct Access	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Energy Performance Program Scorecard					
Whole Building Pay For Performance (P4P)	Number of Participants (P4P)	50%	12.5	25	37.5
	Net Annual Gas Savings (m ³)	50%	62,500	125,000	187,500
Building Beyond Code Program Scorecard					
Residential Savings By Design	Number of Energy Star Homes	15%	1,000	2,000	3,000
	Number of Net Zero Ready Homes	15%	5	10	15
Commercial Savings By Design	Number of Participants	30%	16	31	47
Affordable Housing Savings By Design	Number of Participants	30%	11	21	32
Commercial Air Tightness Testing	Number of Participants	5%	3	6	9
	Number of Qualified Agents	5%	5	10	15

1. The calculation of the Upper and Lower Bands of the 100% Targets result in non-integer amounts and the Scorecard Incentive will be calculated based on these precise thresholds.
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.
3. The 100% Target is calculated according to the TAM Methodology set out in the Proposed Framework, Exhibit C, Tab 1, Schedule 1, Section 5.2

Table 4: 2025 Annual Scorecard Targets

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Offering(s)	Metric	Metric Weighting	Lower Band (50%) ¹	2025 100% Target	Upper Band (150%) ¹
Residential Program Scorecard					
Residential Whole Home Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Low Income Program Scorecard					
Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	TAM x 50%	TAM ³	TAM x 150%
Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%	TAM x 50%	TAM ³	TAM x 150%
Commercial Program Scorecard					
Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ²	50%	TAM x 50%	TAM ³	TAM x 150%
	Small Customer Net Annual Gas Savings (m ³) ²	50%	TAM x 50%	TAM ³	TAM x 150%
Industrial Program Scorecard					
Industrial Custom	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Large Volume Program Scorecard					
Direct Access	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Energy Performance Program Scorecard⁴					
Whole Building Pay For Performance (P4P)	Number of Participants (P4P)				
	Net Annual Gas Savings (m ³)				
Building Beyond Code Program Scorecard⁴					
Residential Savings by Design	Number of Energy Star Homes				
	Number of Net Zero Ready Homes				
Commercial Savings by Design	Number of Participants				
Affordable Housing Savings By Design	Number of Participants				
Commercial Air Tightness Testing	Number of Participants				
	Number of Qualified Agents				

1. The calculation of the Upper and Lower Bands of the 100% Targets result in non-integer amounts and the Scorecard Incentive will be calculated based on these precise thresholds.
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.
3. The 100% Targets are calculated according to the TAM Methodology set out in the Proposed Framework, Exhibit C, Tab 1, Schedule 1, Section 5.2
4. Energy Performance and Building Beyond Code Programs to be reassessed at the mid-point assessment.

Table 5: 2026 Annual Scorecard Targets

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Offering(s)	Metric	Metric Weighting	Lower Band (50%) ¹	2026 100% Target	Upper Band (150%) ¹
Residential Program Scorecard					
Residential Whole Home Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Low Income Program Scorecard					
Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	TAM x 50%	TAM ³	TAM x 150%
Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%	TAM x 50%	TAM ³	TAM x 150%
Commercial Program Scorecard					
Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ²	50%	TAM x 50%	TAM ³	TAM x 150%
	Small Customer Net Annual Gas Savings (m ³) ²	50%	TAM x 50%	TAM ³	TAM x 150%
Industrial Program Scorecard					
Industrial Custom	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Large Volume Program Scorecard					
Direct Access	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Energy Performance Program Scorecard⁴					
Whole Building Pay For Performance (P4P)	Number of Participants (P4P)				
	Net Annual Gas Savings (m ³)				
Building Beyond Code Program Scorecard⁴					
Residential Savings by Design	Number of Energy Star Homes				
	Number of Net Zero Ready Homes				
Commercial Savings by Design	Number of Participants				
Affordable Housing Savings By Design	Number of Participants				
Commercial Air Tightness Testing	Number of Participants				
	Number of Qualified Agents				

1. The calculation of the Upper and Lower Bands of the 100% Targets result in non-integer amounts and the Scorecard Incentive will be calculated based on these precise thresholds.
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.
3. The 100% Targets are calculated according to the TAM Methodology set out in the Proposed Framework, Exhibit C, Tab 1, Schedule 1, Section 5.2
4. Energy Performance and Building Beyond Code Programs to be reassessed at the mid-point assessment.

Table 6: 2027 Annual Scorecard Targets

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Offering(s)	Metric	Metric Weighting	Lower Band (50%) ¹	2027 100% Target	Upper Band (150%) ¹
Residential Program Scorecard					
Residential Whole Home Residential Single Measure Residential Smart Home	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Low Income Program Scorecard					
Home Winterproofing	Single Family Net Annual Gas Savings (m ³)	50%	TAM x 50%	TAM ³	TAM x 150%
Affordable Housing Multi-Residential	Multi-Residential Net Annual Gas Savings (m ³)	50%	TAM x 50%	TAM ³	TAM x 150%
Commercial Program Scorecard					
Commercial Custom Prescriptive Downstream Direct Install Prescriptive Midstream	Large Customer Net Annual Gas Savings (m ³) ²	50%	TAM x 50%	TAM ³	TAM x 150%
	Small Customer Net Annual Gas Savings (m ³) ²	50%	TAM x 50%	TAM ³	TAM x 150%
Industrial Program Scorecard					
Industrial Custom	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Large Volume Program Scorecard					
Direct Access	Net Annual Gas Savings (m ³)	100%	TAM x 50%	TAM ³	TAM x 150%
Energy Performance Program Scorecard⁴					
Whole Building Pay For Performance (P4P)	Number of Participants (P4P)				
	Net Annual Gas Savings (m ³)				
Building Beyond Code Program Scorecard⁴					
Residential Savings by Design	Number of Energy Star Homes				
	Number of Net Zero Ready Homes				
Commercial Savings by Design	Number of Participants				
Affordable Housing Savings By Design	Number of Participants				
Commercial Air Tightness Testing	Number of Participants				
	Number of Qualified Agents				

1. The calculation of the Upper and Lower Bands of the 100% Targets result in non-integer amounts and the Scorecard Incentive will be calculated based on these precise thresholds.

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.

3. The 100% Targets are calculated according to the TAM Methodology set out in the Proposed Framework, Exhibit C, Tab 1, Schedule 1, Section 5.2

4. Energy Performance and Building Beyond Code Programs to be reassessed at the mid-point assessment.

Low Carbon Transition Program Targets

5. The proposed targets for the Low Carbon Transition Program are outlined in Table 7 below. These targets have been informed by a number of inputs including, but not limited to:

- Consultation with HVAC manufacturers, distributors and contractors;
- Jurisdictional scans to determine how key program elements compared to similar jurisdictions;
- Prior and current experience with the demonstration and deployment of heat pumps through the Energy Leader offer, demonstration projects and pilot programs; and
- Consideration of the OEB's guidance with respect to the primary objective of DSM, "assisting customers in making their homes and businesses more efficient in order to help better manage their energy bills."²

Table 7: Low Carbon Transition Program Targets

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	Offering(s)	Metric	Metric Weighting	Lower Band (50%) ¹	2023-2024 100% Target	Upper Band (150%) ¹
Low Carbon Transition Program	Residential Low Carbon	Number of Installations (Residential Heat Pumps)	25%	1,061.5	2,123	3,184.5
		Number of Contractors Trained (Residential Heat Pumps)	25%	30	60	90
	Commercial Low Carbon	Number of Installations (Commercial Heat Pumps)	25%	43	86	129
		Number of Engineers Trained (Commercial Heat Pumps)	25%	8.5	17	25.5

1. The calculation of the Upper and Lower Bands of the 100% Targets result in non-integer amounts and the Scorecard Incentive will be calculated based on these precise thresholds.

² EB-2019-0003, OEB Letter Post-2020 Natural Gas Demand Side Management Framework (December 1, 2020), p. 2.

Long Term GHG Reduction Target

6. As described in Exhibit D, Tab 1, Schedule 2 in relation to the shareholder incentive, “[t]he OEB encourages Enbridge Gas to develop a longer-term natural gas savings reduction target, separate from the annual targets, that it will work to achieve by the end of the next multi-year DSM term.”³
7. Enbridge Gas has therefore proposed a GHG reduction target for the end of the proposed five-year term of the DSM Plan. This 2027 long term GHG reduction goal will provide a representation of the aggregate achievement of natural gas DSM in Ontario over the multi-year framework expressed in terms of associated GHG reductions. The proposed target metric is the GHG reductions realized through the summation of annual gross natural gas savings targeted in the first year of the plan multiplied by the five-year term of the DSM Plan, with an additional 15% stretch target. This calculation is illustrated in Table 8 below:

Table 8: Long Term (Five-Year) GHG Reduction Target

Target Development	
2023 Forecast Portfolio Gross Annual m ³	241,639,442
kg CO ₂ e / m ³ of Natural Gas	1.874
Year 1 (2023) Gross Annual GHG (tonnes)	452,832
Years	5
Stretch Factor	15%
Long Term (Five-Year) GHG Reduction Target - (tonnes)	2,603,786

³ EB-2021-0003, OEB Letter Post-2020 Natural Gas Demand Side Management Framework (December 1, 2020), p. 5.

TRC-PLUS AND NET BENEFITS SUMMARY

1. Cost effectiveness screening for the DSM Plan will use the TRC-Plus test as directed by the OEB in the DSM Letter and as detailed in the Proposed Framework (Exhibit C, Tab 1, Schedule 1, Section 10.3). For screening purposes, the TRC-Plus test should be performed at both the program and portfolio level.¹
2. The results of the TRC-Plus test can be expressed as a ratio of the present value ("PV") of the benefits to the PV of the costs.
3. If the ratio of the PV of benefits to the PV of the costs (the "TRC-Plus ratio") exceeds 1.0, the DSM program is considered cost effective as it implies that the benefits exceed the costs. Since low income natural gas DSM programs may result in important benefits not captured by the TRC-Plus test, these programs should be screened using a lower threshold value of 0.70 instead, but as noted in the Proposed Framework, offerings may be considered at a lower threshold.
4. An alternative way to consider the cost-effectiveness of a program is to determine whether the TRC-Plus net savings (or Net Benefits) are greater than zero. The Net Benefits are equal to the PV of benefits less the PV of costs.
5. The following Table 1 provides the portfolio and program level TRC-Plus screening results as required for the DSM Plan for the 2023 year. For information purposes, the offering level values are also presented. In addition, the table also summarizes the Net Benefits forecast for the portfolio including details for each of the components for 2023.

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¹ EB-2021-0002, Application, Proposed Framework, Exhibit C, Tab 1, Schedule 1, p. 17, reference: "Market transformation programs are not amenable to a mechanistic cost-effective screening approach and should be reviewed on a case-by-case basis instead."

Table 1: 2023 TRC-Plus and Net Benefits

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2023 TRC-Plus Forecast	TRC-Plus Benefits ¹	TRC Costs	Net Benefits ²	TRC-Plus Ratio
Residential Program	\$117,949,736	\$66,254,346	\$51,695,390	1.78
<i>Residential Whole Home</i>	\$73,977,785	\$46,006,919	\$27,970,866	1.61
<i>Residential Single Measure</i>	\$8,961,854	\$7,529,043	\$1,432,811	1.19
<i>Residential Smart Home</i>	\$35,010,098	\$11,229,960	\$23,780,138	3.12
<i>Program Level Admin</i>		\$1,488,425	-\$1,488,425	
Commercial Program	\$133,540,929	\$30,573,084	\$102,967,845	4.37
<i>Commercial Custom</i>	\$103,530,272	\$12,205,023	\$91,325,250	8.48
<i>Prescriptive Downstream</i>	\$8,696,432	\$3,602,595	\$5,093,837	2.41
<i>Direct Install</i>	\$14,451,859	\$5,764,458	\$8,687,401	2.51
<i>Prescriptive Midstream</i>	\$6,862,366	\$5,691,921	\$1,170,445	1.21
<i>Program Level Admin</i>		\$3,309,088	-\$3,309,088	
Industrial Program	\$210,099,973	\$15,949,294	\$194,150,679	13.17
<i>Industrial Custom</i>	\$210,099,973	\$12,171,680	\$197,928,293	17.26
<i>Program Level Admin</i>		\$3,777,614	-\$3,777,614	
Low Income Program	\$52,688,511	\$20,090,692	\$32,597,819	2.62
<i>Home Winterproofing</i>	\$22,736,285	\$14,088,455	\$8,647,829	1.61
<i>Affordable Housing Multi-Residential</i>	\$29,952,226	\$4,554,095	\$25,398,132	6.58
<i>Program Level Admin</i>		\$1,448,142	-\$1,448,142	
Large Volume Program	\$12,904,860	\$4,625,266	\$8,279,594	2.79
<i>Direct Access</i>	\$12,904,860	\$4,408,642	\$8,496,218	2.93
<i>Program Level Admin</i>		\$216,624	-\$216,624	
Energy Performance Program	\$0	\$584,156	-\$584,156	0.00
<i>Whole Building Pay 4 Performance (P4P)³</i>	\$0	\$530,000	-\$530,000	0.00
<i>Program Level Admin</i>		\$54,156	-\$54,156	
Building Beyond Code Program		\$5,618,903		
Low Carbon Transition Program		\$625,291		
Program Subtotal	\$527,184,009	\$144,321,033	\$382,862,976	3.65
Portfolio Costs		\$18,360,000		
Portfolio Total	\$527,184,009	\$162,681,033	\$364,502,976	3.24

1. Forecast 2023 TRC-Plus Benefits are calculated using 2021 Avoided Costs (best available at the time of plan submission).

2. Net Benefits are the difference between the TRC-Plus Benefits and the TRC Costs.

3. Based on the program design, energy savings are not forecasted until Year 2 (2024).