

EB-2021-0002  
Enbridge Gas 2023-2027  
Demand Side Management

VECC Compendium

Panel 1

## ENBRIDGE GAS DSM PLAN - LOW INCOME PROGRAM

### **Low Income Sector Strategy**

1. Enbridge Gas has a strong history of successful delivery of energy efficiency programs specifically designed to meet the needs of lower income customers. There are two different measures of poverty and housing need, the Low Income Measure, after tax ("LIM-AT") and Core Housing Need ("CHN"), that each suggest about 15% of people in Ontario fall below the threshold for each measure.<sup>1</sup> Enbridge Gas's Low Income program is intended to serve these constituents, including families living in both social and privately owned housing, and in both single and multi-family residential buildings across the province.
2. Of growing concern, Ontario is at risk of losing considerable supply of social and affordable housing stock due to deteriorating conditions and expiring social housing provider agreements. At present, a large portion of affordable housing stock is over 40 years old and large investment is needed to preserve housing suitability.<sup>2</sup> It is estimated that about a third of available social housing stock could expire and transition to privately owned and operated housing in the next 10 years.<sup>3</sup>
3. Enbridge Gas is uniquely positioned to support broader investment into the capital upgrades and energy retrofit requirements facing these buildings. Enbridge Gas has the experience and record of success in delivering programming, including financial incentives and technical support, to facilitate upgrades in the energy systems of

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<sup>1</sup> Community housing renewal: Ontario's action plan under the National Housing Strategy, Ministry of Municipal Affairs and Housing. <https://www.ontario.ca/document/community-housing-renewal-ontarios-action-plan-under-national-housing-strategy/housing-needs-ontario>

<sup>2</sup> Ibid.

<sup>3</sup> Ibid, sourced from Auditor General of Ontario, Annual Report 2017.

help low income households become “more efficient in order to help better manage their energy bills.”<sup>4</sup>

13. In line with guiding principles (and the OEB’s specific direction in its December 1, 2020 letter), signaling that DSM planning should ensure that “small volume, low income and on-reserve First Nations communities are well served,”<sup>5</sup> the Low Income Single Family and Affordable Housing Multi-Residential offerings are designed distinctly from the other mass residential and commercial offerings to recognize and address the unique customer needs and barriers to participation faced by this market segment.
14. Similarly, reflecting DSM guiding principles, the Low Income program is “designed to provide opportunities for a broad spectrum of consumer groups and customer needs to encourage widespread customer participation over time and ensure all segments of the market are reached.”<sup>6</sup> Within the low income customer group, there are several particularly hard-to-reach subgroups that require tailored customer outreach, notably First Nations communities, other visible minorities, recent immigrants and senior citizens.
15. Importantly, and also reflecting guiding principles, Enbridge Gas is engaged with the IESO examining how to appropriately coordinate DSM and electricity CDM efforts geared to low income households across the province. Enbridge Gas has already aligned income eligibility requirements for the Home Winterproofing program (“HWP”) with the electricity income tested CDM program eligibility requirements, consistent with the Energy Affordability Program. Currently, Enbridge Gas and the IESO are in discussions exploring the possibility of a coordinated delivery of the

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<sup>4</sup> EB-2019-0003, OEB Letter Post-2020 Natural Gas Demand Side Management Framework (December 1, 2020), p. 2.

<sup>5</sup> Ibid, p. 5.

<sup>6</sup> EB-2021-0002, Application, Proposed Framework, Exhibit C, Tab 1, Schedule 1, p. 6.

single family low income offerings. This would allow for a single point of entry to province-wide programs for income eligible customers.

## **Home Winterproofing Offering**

### Background

16. This offering continues to support the province's most vulnerable populations by improving the energy efficiency of their homes and assisting customers in managing their natural gas bills. Low income is commonly described as households spending 30% or more of household income towards shelter costs.<sup>7</sup> For customers in this position, disposable household income to finance energy efficiency improvements which will result in savings on energy bills, is not typically available. To support these customers, the Home Winterproofing offering provides free energy assessments and no-cost/low-cost, direct install and weatherization upgrades to improve the home. To maximize the value of the free in-home energy assessment, Energy Advisors educate participants on how to manage energy use, and where warranted, implement health and safety measures.

### Objective

17. The objective of the Home Winterproofing offering is to reduce energy costs for residents of single family households (typically low-rise housing including but not limited to detached, semi-detached, row/townhouse or mobile home with permanent foundation) by improving the energy efficiency of their homes.

### Target Market

18. The target market for the Home Winterproofing offering includes:

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<sup>7</sup> <https://www.cmhc-schl.gc.ca/en/professionals/housing-markets-data-and-research/housing-research/core-housing-need/identifying-core-housing-need>

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Vulnerable Energy Consumers Coalition (VECC)

Interrogatory

**Issue 10b**

Reference:

Exhibit E, Tab 1, Schedule 3, page 1

Question(s):

Enbridge Gas has a strong history of successful delivery of energy efficiency programs specifically designed to meet the needs of lower income customers.

- a) Please summarize the key successes in delivery of Low Income programs to date.
- b) Please summarize the key lessons learned in delivery of Low Income programs to date.

Response:

- a) The following list provides examples of Enbridge Gas's key successes in the delivery of the low income program offerings to date:

Home Winterproofing Program (HWP)

- HWP continues to drive strong results across Ontario to single family homes; including on-reserve communities.
- Successful collaboration efforts with third parties; including with IESO on a collaborative delivery approach for Indigenous communities and the coordinated delivery model outlined in response to Exhibit I.10a.EGI.STAFF.30.
- Incorporated new products into the suite of low-income measures, such as external cladding and smart thermostats.
- Built a strong network with delivery agents, registered energy auditors, community organizations and government partners to develop collaborations and partnerships for program delivery, awareness and education such as LEAP.
- Developed robust marketing plans to inform hard-to-reach customers.

#### Affordable Housing Multi-Residential Program

- Continued strong participation that provided energy efficient upgrades to thousands of income qualified multi-residential buildings.
- Expanded the AHMR program from social housing providers to include privately owned multi-residential buildings.
- Developed robust marketing and outreach plans to inform hard-to-reach customers.

b) The following list provides examples of some of Enbridge Gas's key lessons learned in the delivery of the low income program offerings to date:

#### Home Winterproofing Program

- As the program matures, identifying and qualifying customers in this segment becomes more challenging, requiring more targeted communications, outreach strategies and engagement with local associations and other stakeholders.
- Health and Safety issues can be a significant barrier to program participation.
- Data sources to inform customers lists and marketing opportunities important to targeting sub segments of this sector.
- Partnerships and collaboration are key to continually being able to access customers in segment.

#### Affordable Housing Multi-Residential Program

- As the program matures in market, a gradual shift in market opportunities from Social Housing to Market Rate.
- Data sources to inform customers lists and marketing opportunities important to targeting sub segments of this sector.
- Program alignment between legacy utilities is required (i.e., eligibility requirements, incentives etc.) to reduce customer confusion and drive positive program outcomes.
- Partnerships and collaboration are key to continually being able to access customers in segment.

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Environmental Defence

Interrogatory

**Issue 1**

Reference:

EB-2015-0029/0049, Decision and Order, January 20, 2016, p. 87

Preamble:

In the previous DSM plan decision, the OEB directed Enbridge to develop new joint and enhanced joint programs with the IESO:

“The opportunity for collaborative work among the gas and electric utilities, along with the IESO, is expected to result in a number of new joint programs. The OEB expects enhanced joint energy conservation programs will reduce customer confusion and improve the efficiency of program delivery. The OEB expects this to be an area that the gas utilities explore and pursue aggressively over the course of this DSM term, with design details of the joint programs initially provided as part of the mid-term review.”<sup>1</sup>

Question(s):

- (a) Please list the joint IESO/Enbridge programs in the 2015-2020 plan and list the joint IESO/Enbridge programs in the 2023-2027 plan. Please include a table for each plan showing the budgets for each program. Please also include a table showing the correspondence between the old and new programs (e.g. where one program has continued with adjustments under a new name, etc.).
- (b) Please specifically list how coordination with the IESO has been incrementally enhanced since the 2015-2020 plan.

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<sup>1</sup> EB-2015-0029/0049, Decision and Order, January 20, 2016, p. 87.

Response

a) Please see tables below.

**2015-2020:**

**Low Income**

Year(s)	Partner	Details	Annual Program Spend	
2016	Toronto Hydro	Co-Delivery of Enbridge Home Winterproofing and IESO/Toronto Hydro Home Assistance Program	\$4,543,350	
2017-2020	IESO	Co-delivery of Enbridge Home Winterproofing Program and IESO Home Assistance Program, now Energy Affordability Program, where overlapping communities existed for Indigenous On Reserve Residential communities	2017	\$4,539,420
			2018	\$5,224,730
			2019	\$7,141,896
			2020	\$6,363,661
2019-2020	Peterborough Distribution Inc.	Identify and deliver the Enbridge Home Winterproofing Program (HWP) to low-income natural gas customers applying to the Affordability Fund Trust program who meet the HWP eligibility/qualifications.	2019	\$7,141,896
			2020	\$6,363,661



## Residential

Year(s)	Partner	Details	Annual Program Spend
2017-2018	IESO	Whole Home Pilot - Enbridge created and delivered a combined natural gas and electric residential pilot program offering both CDM and DSM measures to customers. Using the HER offering as a base, the IESO was able to layer on prescriptive incentives for customers installing appliances and other electric savings measures between the pre and post energy assessments.	\$0
2019	Hydro Ottawa	Through 2019, Hydro Ottawa partnered with Enbridge to top up the Smart Thermostat (to \$100) incentives for residents of the Kanata North Area. Participants received a Hydro Ottawa on-bill credit of up to 100% of the purchase price (minus DSM incentive) if they met Hydro Ottawa's eligibility criteria	\$0
2016-2019	Toronto Hydro	Beginning in 2016, Enbridge and Toronto Hydro piloted a collaborative Adaptive Thermostat offering. Toronto Hydro split the incentive cost for Toronto Residents that participated in the Smart Thermostat offering.	\$0
2018	IESO	Deal Days - Enbridge's work on the Residential Working Group included production of a report on the viability of prescriptive gas saving measures available in retailers. The study evaluated the feasibility for inclusion of new electric and gas measures into the existing IESO residential instant savings program ("Deal Days").	*\$40,000

\*Funded through CIF budget

### Commercial & Industrial

Year(s)	Partner	Details	Annual Program Spend
2016	Powerstream	Co-marketed gas and electric offers for Demand Control Kitchen Ventilation	\$6,000
2016	EnerSource	Co-funded joint gas/electric energy audits for small businesses	\$20,610
2017	IESO / Enerquality	Energy Star Multi-Family Building Pilot Program – designed and piloted a third-party energy efficiency certification program for mid-high rise residential buildings.	\$100,000
2017	Alectra Utilities	Joint delivery of Direct Install - Pedestrian Air Curtains Co-delivery was coordinated through one delivery agent, including customer outreach and recruitment, identifying and installing measures.	\$377,027
2019 to present	IESO	Joint delivery of Direct Install – Demand Control Kitchen Ventilation (DCKV): Enbridge contracted multiple delivery agents for an installation program targeting DCKV systems and small commercial kitchens. Enbridge engaged IESO to collaborate with their Save-on-Energy Retrofit program of the same measure, which was introduced in 2019. Collaboration is through joint program delivery and marketing	2020: \$410,000 2021: \$ 538,500
2021 to present	IESO	Prescriptive Midstream: Enbridge contracted a delivery agent for a new Midstream offer targeting food service equipment supply chain actors in 2019. In 2021, IESO joined the offer with electric food service measures from their Save-on-Energy Retrofit program. Collaboration is joint delivery through one vendor	2021: \$1,848,000
2020-2021	IESO & Climate Challenge Network	Sustainable Schools (SUS) Benchmarking Initiative – EGI & IESO partnered with Sustainable Schools to use a benchmarking targeted approach to identify and work with high saving potential schools.	\$80,000
2020-2021	IESO	Joint Energy Manager Collaboration – Collaborating with IESO to co-fund existing IESO Energy Managers in the Institutional Sector and provide performance incentives for achieving gas savings targets.	\$150,000
2018-2021	IESO	Joint Incentives for Energy Management Training Courses Enbridge Gas and the IESO co-funded training incentives that cover up to 75% of training costs for C&I customers.	\$65,000

### **2023-2027**

Annual Program Spend is TBD for the below offers in 2023-2027 because although we are in collaborative efforts to discuss these initiatives, they have not been finalized and therefore the budgets have not yet been determined.

#### **Low Income**

<b>Year(s)</b>	<b>Partner</b>	<b>Details</b>	<b>Annual Program Spend</b>
2022-2024	IESO	Coordinate delivery of EGI's Home Winterproofing Program with IESO's Energy Affordability Program (EAP)	TBD

#### **Residential**

<b>Year(s)</b>	<b>Partner</b>	<b>Details</b>	<b>Annual Program Spend</b>
2021 - present	IESO	(See Exhibit E, Tab 1, Schedule 2 page 19 and Exhibit E Tab 4, Schedule 4 page 4) Coordinate Smart Home (Thermostat) with IESO's EAP Tier 2 customers and provide an enhanced incentive to qualified moderate income customers	TBD

#### **Commercial & Industrial**

<b>Year(s)</b>	<b>Partner</b>	<b>Details</b>	<b>Annual Program Spend</b>
2023-	IESO	<i>Tentative – unconfirmed</i> Joint Incentives for Energy Management Training Courses Continuation of existing collaboration	TBD
2023 – (tentative)	IESO	<i>Tentative – unconfirmed</i> Joint Delivery of Prescriptive Midstream: Integrated Midstream offer with both gas and electric foodservice measures as well as other possible measures. In 2022, Enbridge and IESO intend to implement a joint procurement process for a delivery vendor to be in place for 2023.	TBD
2023-	IESO	<i>Tentative – unconfirmed</i> Joint Delivery of Direct Install – Demand Control Kitchen Ventilation (DCKV): Continuation of existing collaboration	TBD
2023-	IESO	<i>Tentative – unconfirmed</i> Coordination of IESO's Energy Performance Program with Enbridge's proposed Energy Performance Program	TBD
2023-	IESO	<i>Tentative – unconfirmed</i> Coordination of IESO's proposed Strategic Energy Management Program with Enbridge's proposed Industrial Program	TBD

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Ontario Energy Board (STAFF)

Interrogatory

**Issue 10a**

Reference:

Exhibit E, Tab 1, Schedule 2, p.2 & 9

Question(s):

Enbridge Gas notes that it is exploring efforts to support moderate income customers by coordinating with the IESO on the Smart Home offering.

- a) Please provide more details of this proposal, including if Enbridge Gas and the IESO have an agreement in place to conduct joint/combined delivery.

Response

As referenced in the Low Income Program evidence,<sup>1</sup> Enbridge Gas has aligned income eligibility for the Home Winterproofing Program (“HWP”) with the IESO’s Energy Affordability Program (“EAP”), and had started discussions with IESO about a possible coordinated delivery of single family low income offerings.

Since that time, Enbridge Gas and the IESO have signed a Memorandum of Understanding and released a joint Request for Proposal (“RFP”) to establish a co-delivery model with third party Delivery Agents (“Das”) for the HWP and EAP offerings.

The procurement process to secure DAs to deliver both programs in defined geographic areas across Ontario is underway, with the expectation that contracts will be executed, and the DAs will be in place in early 2022.

As referenced in the Residential Program evidence,<sup>2</sup> Enbridge Gas is also working with the IESO on coordinating with their EAP to target moderate income customers with an enhanced incentive for the purchase of a Smart Thermostat. Enbridge Gas will pay for the incentive and claim the energy savings on these Smart Thermostats.

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<sup>1</sup> EB-2021-0002, DSM Multi-year Plan and Framework Application (May 3, 2021), Exhibit E, Tab 1, Schedule 3, p. 6.

<sup>2</sup> Ibid, Schedule 2, p. 20.

ENBRIDGE GAS INC.

Answer to Interrogatory from  
Vulnerable Energy Consumers Coalition (VECC)

Interrogatory

**Issue 5**

Reference:

Exhibit C, Tab 1, Schedule 1, page 39

Question(s):

To recognize that the Low Income natural gas DSM program may result in important benefits not captured by the TRC-Plus test, this program should continue to be screened using a lower threshold value of 0.7. Low Income offerings that fail to meet a TRC-Plus cost-benefit ratio of 0.7 can still be applied for, and approval of these programs will be considered on their merits.

Please discuss if Enbridge Gas reviewed lowering the threshold value of 0.70 for the low income sector. If yes, please provide details and any evaluation and analysis undertaken.

Response:

Enbridge Gas requested comments and feedback during the March 2021 Low Income program stakeholder consultation on the existing TRC-Plus screening threshold. At that time, stakeholders commented that they were open to revisiting the screening threshold as part of this DSM Plan proceeding. No further analysis was undertaken.

The DSM Plan does not include any recommended change to the existing 0.7 Low Income program TRC-Plus screening threshold at this time.