

**EB-2021-0002**

**Enbridge Gas Inc.**

**Multi-Year Demand Side Management Plan**

**(2022 to 2027)**

**SMALL BUSINESS UTILITY ALLIANCE COMPENDIUM**

**Oral Hearing**

**EGI PANEL 2**

ENBRIDGE GAS INC.

Undertaking Response to OEB Staff

Undertaking

Tr: 106

Enbridge will make best efforts to provide a high-level response to the program recommendations that have been made and I want to be clear as to what portions of those reports the company will be responding to. And that include Optimal's Exhibit L Staff 2 Report at pages 36 through 38, the SBUA executive summary, which is at pages 1 and 2, and the EFG report at page 36 which is section 1 (the portfolio and program design summary of key points, the five bullets.)

Response:

Evidence	Referenced Page	Topic/Sector/Program	Expert's Recommendation	Enbridge Gas Response
SBUA - Green Energy Economics Group	Page 1	Commercial - Small Business	1. Offer a wider array of measures and provide as streamlined a way as possible for small business customers to access them.	This recommendation is in line with Enbridge Gas's objective to provide DSM participation opportunities for all customers including ensuring small commercial customers are appropriately served.
SBUA - Green Energy Economics Group	Page 1	Commercial - Direct Install/Custom	2. Follow Massachusetts' lead by offering a "turnkey" pathway for small business customers to seamlessly participate in a direct install program followed up by a custom measure package.	Yes, Enbridge Gas intends to offer a turnkey pathway as outlined in Exhibit E, Tab 1, Schedule 4, page 22, "To facilitate this turnkey solution, Enbridge Gas equips contracted service providers with the training and sales support tools to identify, qualify, quote, and install eligible measures." Additionally, Enbridge Gas is open to exploring opportunities to integrate custom measures into the Direct Install offering.

SBUA - Green Energy Economics Group	Page 1	Commercial - Prescriptive	<p>3. Prescriptive Programs a. Offer all typically cost-effective measures as prescriptive measures, with incentives that cover most of the incremental measure costs, including residential type equipment.</p>	<p>Not all cost-effective measures lend themselves well to being offered as a prescriptive measure, as some measures are a lot more customized and require more site-specific inputs to properly estimate gas savings than others.</p> <p>Furthermore, Enbridge Gas maintains different incentive level coverage of incremental costs within the Prescriptive and Direct Install offers based on the different type of customers whom these programs target.</p>
SBUA - Green Energy Economics Group	Page 1	Commercial - Direct Install	<p>4. Direct Install a. Allow small businesses to participate in DSM programs more than once. Do not limit participation in DSM programs if previously participated in a DSM program. b. Include additional direct install measures such as adaptive thermostats, boiler tune-ups, and water heating measures.</p>	<p>a) Enbridge Gas's approach on the current program, taking into consideration budgetary constraints, was to ensure that the maximum number of unique participants could participate in Direct Install but not limit participation in other prescriptive/custom programming opportunities.</p> <p>b) Enbridge Gas is open to introducing additional measures to the Direct Install offering including adaptive thermostats, boiler-tune-ups, and water heating measures, provided they prove to be cost-effective.</p>

SBUA - Green Energy Economics Group	Page 1-2	Commercial - Custom	<p>5. Custom Program</p> <p>a. Create a comprehensive custom program component tailored for small businesses that is fed in from the Direct Install program.</p> <p>b. Offer an assessment to identify all cost-effect efficiency measures for a building.</p> <p>c. Provide incentives for all the identified efficiency measures that cover most of the incremental measure costs.</p>	<p>a) Custom programs are typically more time and resource intensive, and therefore would not represent an effective approach at engaging a large proportion of the vast small business sector.</p> <p>b) An assessment could be offered to support small businesses; however, it would come at a significant cost relative to potential savings.</p> <p>c) Project implementation costs do not necessarily align with potential gas savings. Therefore, to optimize results, savings relative to project cost are considered in prioritizing measures where a more significant proportion of incentives is offered.</p> <p>In a non-budget constrained scenario, Enbridge Gas could support this recommendation, however given the proposed budget, Enbridge Gas believes it has appropriately prioritized the budgets and respective target audiences of its current program mix to optimize program reach and results.</p>
SBUA - Green Energy Economics Group	Page 2	Coordination with External Parties	<p>6. Coordinate with IESO CDM when performing energy assessments for commercial buildings to treat the building as a whole and identify natural gas and electric savings opportunities at the same time.</p>	<p>Enbridge Gas maintains regular communication with the IESO who are tasked with delivering electricity CDM programming in Ontario. In an effort to leverage collaborative opportunities, both the IESO and Enbridge Gas are committed to coordinating the delivery of DSM programs with electricity CDM programs where appropriate.</p>
SBUA - Green Energy Economics Group	Page 2	Commercial - Indigenous Support	<p>7. Designing efficiency programs that focus on small businesses will also help indigenous businesses.</p>	<p>Enbridge Gas agrees with this statement.</p>

OEB Staff2/Optimal Energy	Page 56 of the PDF Doc	C/I	23. Ensure that the Small Business Direct Install Program effectively integrates with the electric side, and focus the gas program on envelope measures, as is done in the residential sector.	Enbridge Gas maintains regular communication with the IESO, who are tasked with delivering electricity CDM programming. In a common effort to improve programming for customers and reduce costs, both the IESO and Enbridge Gas are committed to coordinating the delivery of DSM programs with electricity CDM programs where possible, which includes the potential for collaboration on direct install for small business. Historically, the Enbridge Gas Direct Install offering supported both envelope measures such as air curtains, as well as non-envelope measures, such as Demand Control Kitchen Ventilation (DCKV) – a technology that moderates excess air infiltration. Restricting the Direct Install offering to envelope measures would therefore exclude other cost effective measures, like DCKV, that would benefit small customers.
OEB Staff2/Optimal Energy	Page 56 of the PDF Doc	C/I	24. Revisit the technical caps for the Large Volume Program, for both technical assistance and implementation.	The proposed Large Volume Program budget was set to address the cost concerns from some Large Volume Program ratepayers. Increasing the caps would impact budget. Enbridge Gas has dedicated Technical Account Managers who work with Large Volume customers to provide technical assistance at no additional cost to the customer, reducing the need for incremental incentives to support technical assistance.
OEB Staff2/Optimal Energy	Page 56 of the PDF Doc	C/I	25. Ensure robust project-level measurement and verification activities on projects funded through the Large Volume program.	All Large Volume projects have some form of measurement, for example, custom calculations performed by ESAs to determine energy savings. The Large Volume program has been subject to verification by the board selected Evaluation Contractor. Typically, this has taken the

### Enbridge Gas Program Coordination Summary (as at March 2022)

The following table summarizes energy efficiency programs currently in market and status of EGI efforts to coordinate program delivery

IESO CDM programs/initiatives	EGI
Energy Affordability Program	<ul style="list-style-type: none"> <li>coordinated delivery with Low Income Home Winterproofing program offering</li> </ul>
Smart Thermostats	<ul style="list-style-type: none"> <li>alignment on “moderate income” enhanced incentive</li> </ul>
Small Business Program (lighting/refrigeration)	<ul style="list-style-type: none"> <li>not applicable</li> </ul>
Retrofit Program	<ul style="list-style-type: none"> <li>coordinated delivery on DCKV Direct Install program offering</li> <li>coordinated delivery on Midstream program offering</li> <li>mutual interest to collaborate on Energy Performance Program</li> </ul>
First Nations Conservation Program	<ul style="list-style-type: none"> <li>collaborated on delivery to gas communities - completed where applicable</li> <li>commercial/institutional (band-owned buildings) - shared interest to coordinate once IESO program announced</li> </ul>
Capability Building and Training	<ul style="list-style-type: none"> <li>joint funding for education/training initiatives in commercial sector</li> </ul>
Federal Government/NRCan	EGI
Canada Greener Homes Grant Program	<ul style="list-style-type: none"> <li>negotiations underway to jointly fund and for EGI to deliver province wide residential program through 2027</li> </ul>

The following list summarizes municipalities Enbridge Gas has provided input and financial support to date for Community Energy Planning efforts. In addition EGI has budgeted contributions for a further 16-22 municipalities in 2022, which are still to be finalized.

The Corporation of the City of Windsor	City of Richmond Hill
Essex Region Conservation Authority	Dufferin County
Town of Oakville	City of Brampton
City of Burlington	City of Vaughan
City of Greater Sudbury	City of Peterborough
The Corporation of the City of Sault Ste. Marie	Markham
The City of Guelph	Niagara / St. Catharines
London	Ottawa
Kingston	Mississauga
Orillia	Clarington
Waterloo Region	

ENBRIDGE GAS INC.

Undertaking Response to Small Business Utility Alliance (SBUA)

Undertaking

Tr: 88

To confirm (a) whether if a small business customer is effectively using residential scale equipment, do they have access to any sort of rebates or incentives; to the extent that a customer, a commercial customer is not eligible for the rebate for residential-size equipment, please explain why that is the case, what Enbridge's rationale was in determining that eligibility criterion.

Response:

Eligibility in the Residential program is based on the type of account held with Enbridge Gas as well as the type of dwelling. If for example a yoga studio or other small business is operating out of a home in the residential account class, it would be eligible to participate in the Smart Home, Whole Home or Single Measure offering where the offering criteria is met.

If the Enbridge Gas account is identified as a commercial account, the facility would not qualify for the Residential program. They would however qualify for the following commercial program offerings.

Measure	Residential Offerings	Commercial Offerings	Notes
Attic Insulation	Whole Home Single measure	Custom	Enbridge Gas supports this measure through the custom offering when it is part of a major renovation, which is when the measure is most likely to be cost effective. As standalone projects, Enbridge Gas's Custom offering supports flat roof insulation projects. It does not support attic insulation in cases where a commercial customer has a cathedral roof because of their low prevalence.

Exterior Wall Insulation	Whole Home Single measure	Custom	Enbridge Gas supports this measure through the custom offering when it is part of a major renovation, which is when the measure is most likely to be cost effective.
Basement wall insulation	Whole Home Single measure	Custom	Enbridge Gas supports this measure through the custom offering when it is part of a major renovation, which is when the measure is most likely to be cost effective.
Professional air sealing	Whole Home Single Measure	N/A (existing building) Air Tightness Testing (for new construction)	Enbridge Gas does not offer an incentive for professional air sealing for existing commercial customers. This is because Enbridge Gas has placed its initial focus on launching a standalone residential offer. Lessons learned from the residential offer will inform a potential expansion to commercial customers. Commercial and multi-residential projects built to OBC part 3, 10 or 11 will have access to incentives for air tightness testing and air sealing.
Condensing boiler	Whole Home	Custom	Several small commercial customers benefit from boiler incentives through the Custom Commercial offering each year. This includes residential scale boilers.
Furnace	Whole Home	N/A	With condensing furnaces now code at 95% AFUE, there is limited opportunity for savings as a stand-alone measure. As a result, furnaces were discontinued from the Commercial Prescriptive offer at the end of 2019. For the Whole Home offer, furnace rebates function to attract participation and influence the adoption of other measures.

ENERGY STAR® qualified Water Heater (tank type/tankless)	Whole Home	Midstream (tankless only)	The Prescriptive Midstream offer includes residential-sized water heaters.
Adaptive Thermostats	Smart Home	Custom	To expand the uptake of this measure, Enbridge Gas is researching ways to simplify savings calculations associated with adaptive thermostats in commercial properties so that they can be deployed through other offers such as Prescriptive and Direct Install.

RATE NUMBER:

**6****GENERAL SERVICE****APPLICABILITY:**

To any Applicant needing to use the Company's natural gas distribution network to have transported a supply of natural gas to a single terminal location ("Terminal Location") for non-residential purposes.

**RATE:**

Rates per cubic metre assume an energy content of 38.53 MJ/m<sup>3</sup>.

**Monthly Customer Charge <sup>(1)</sup>****Billing Month****January****to****December****\$74.91****Delivery Charge per cubic metre**

For the first 500 m <sup>3</sup> per month	<b>10.6876 ¢/m<sup>3</sup></b>
For the next 1050 m <sup>3</sup> per month	<b>8.3847 ¢/m<sup>3</sup></b>
For the next 4500 m <sup>3</sup> per month	<b>6.7721 ¢/m<sup>3</sup></b>
For the next 7000 m <sup>3</sup> per month	<b>5.7361 ¢/m<sup>3</sup></b>
For the next 15250 m <sup>3</sup> per month	<b>5.2756 ¢/m<sup>3</sup></b>
For all over 28300 m <sup>3</sup> per month	<b>5.1600 ¢/m<sup>3</sup></b>

**Transportation Charge per cubic metre** (If applicable) **4.0436 ¢/m<sup>3</sup>**

**Transportation Dawn Charge per cubic metre** (If applicable) **0.9704 ¢/m<sup>3</sup>**

**System Sales Gas Supply Charge per cubic metre** (If applicable) **11.9763 ¢/m<sup>3</sup>**

The rates quoted above shall be subject to the Gas Cost Adjustment contained in Rider "C", the Revenue Adjustment Rider contained in Rider "E" and the Federal Carbon Charge (if applicable) and the Facility Carbon Charge (in addition to delivery charge) contained in Rider "J". Also, meter readings will be adjusted by the Atmospheric Pressure Factor relevant to the customer's location as shown in Rider "F". The Gas Supply Charge is applicable if the Applicant is not providing its own supply of natural gas for transportation.

(1): Aggregated within Monthly Customer Charge is the amount of one dollar per month in accordance with Bill 32 and Ontario Regulation 24/19.

**DIRECT PURCHASE ARRANGEMENTS:**

Rider "A" or Rider "B" shall be applicable to Applicants who enter into Direct Purchase Arrangements under this Rate Schedule.

**TERMS AND CONDITIONS OF SERVICE:**

The provisions of PARTS III and IV of the Company's **HANDBOOK OF RATES AND DISTRIBUTION SERVICES** apply, as contemplated therein, to service under this Rate Schedule.

**EFFECTIVE DATE:**

To apply to bills rendered for gas consumed by customers on and after January 1, 2022 under Sales Service and Transportation Service. This rate schedule is effective January 1, 2022 and replaces the identically numbered rate schedule that specifies implementation date, April 1, 2021 and that indicates the Board Order, EB-2021-0070, effective April 1, 2021.

EFFECTIVE DATE: January 1, 2022	IMPLEMENTATION DATE: January 1, 2022	BOARD ORDER: EB-2021-0147	REPLACING RATE EFFECTIVE: April 1, 2021	Page 1 of 1 Handbook 12
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ENBRIDGE GAS INC.  
UNION SOUTH  
SMALL VOLUME GENERAL SERVICE RATE

**(A) Availability**

Available to customers in Union's Southern Delivery Zone.

**(B) Applicability**

To general service customers whose total consumption is equal to or less than 50,000 m<sup>3</sup> per year.

**(C) Rates**

The identified rates (excluding gas supply charges, if applicable) represent maximum prices for service. These rates may change periodically. Multi-year prices may also be negotiated which may be higher than the identified rates. (1)

a) Monthly Charge		\$23.18	
b) Delivery Charge			
First	100 m <sup>3</sup>	#####	¢ per m <sup>3</sup>
Next	150 m <sup>3</sup>	#####	¢ per m <sup>3</sup>
All Over	250 m <sup>3</sup>	#####	¢ per m <sup>3</sup>
Delivery - Price Adjustment (All Volumes)	(2)	4.9085	¢ per m <sup>3</sup>
c) Carbon Charges			
Federal Carbon Charge (if applicable)	(3)	7.8300	¢ per m <sup>3</sup>
Facility Carbon Charge (in addition to Delivery Charge)		0.0127	¢ per m <sup>3</sup>
Federal Carbon Charge - Price Adjustment (if applicable)		-	¢ per m <sup>3</sup>
d) Storage Charge (if applicable)		#####	¢ per m <sup>3</sup>
Storage - Price Adjustment (All Volumes)		-	¢ per m <sup>3</sup>
Applicable to all bundled customers (sales and bundled transportation service).			
e) Gas Supply Charge (if applicable)			
The gas supply charge is comprised of charges for transportation and for commodity and fuel. The applicable rates are provided in Schedule "A".			
f) System Expansion Surcharge ("SES") and Temporary Connection Surcharge ("TCS") (if applicable)	(4)		
The SES is applicable to a customer who receives gas distribution services from the Company as part of a Community Expansion Project listed below. The SES is applied to all volumes consumed by customers in the approved Community Expansion Project areas. The Company may apply the SES for a term of up to 40 years, to be determined in accordance with the Company's feasibility policy.			
The TCS is applicable to a customer who receives gas distribution services from the Company as part of a Small Main Extension or Customer Attachment Project in lieu of paying a Contribution in Aid of Construction (CIAC). The TCS is applied to all volumes consumed, if applicable. The Company may require payment of a CIAC or apply the TCS for a term of up to 40 years, to be determined in accordance with the Company's feasibility policy.			
System Expansion Surcharge (SES):		23.0000	¢ per m <sup>3</sup>
Temporary Connection Surcharge (TCS):		23.0000	¢ per m <sup>3</sup>

<u>Community Expansion Project</u>	<u>In-service Date</u>	<u>SES Term</u>
Kettle and Stony Point First Nation and Lambton Shores	2017	12 years
Milverton, Rostock and Wartburg	2017	15 years
Delaware Nation of Moraviantown First Nation	2018	40 years
Chippewas of the Thames First Nation	2019	40 years
Saugeen First Nation	2020	40 years

**Notes:**

- (1) During any month in which a customer terminates service or begins service, the fixed charge for the month will be prorated to such
- (2) Approved in EB-2020-0067 (2017 & 2018 DSM Deferral and Variance Accounts), includes a temporary charge of 4.9085 cents/m<sup>3</sup> effective April 1, 2021 to September 30, 2021.
- (3) The Federal Carbon Charge for on-reserve First Nations customers are interim, per the Board's Decision and Order in EB-2019-0247.
- (4) Additional conditions and defined terms applicable to the SES and TCS are set out in the Company's Distribution New Business Guidelines as approved by the OEB in its EB-2020-0094 decision.

ENBRIDGE GAS INC.  
UNION NORTH  
RATE 01 - SMALL VOLUME GENERAL FIRM SERVICE

**ELIGIBILITY**

Any customer in Union's North West and North East Zones who is an end user whose total gas requirements at that location are equal to or less than 50,000 m<sup>3</sup> per year.

**SERVICES AVAILABLE**

The following services are available under this rate schedule:

**(a) Sales Service**

For continuous supply of natural gas by Union and associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service, the Monthly, Delivery, Carbon (if applicable) and Gas Supply Charges shall apply.

**(b) Transportation Service**

For continuous delivery on Union's distribution system from the Point of Receipt on TransCanada's system to the Point of Consumption on the customer's premises of natural gas owned by the customer and transported by TransCanada under a firm transportation service tariff or equivalent National Energy Board Order. For this service, the Monthly, Delivery and Carbon (if applicable) Charges shall apply. Unless otherwise authorized by Union, customers who initiate a movement to Transportation Service from a Sales Service or Bundled Transportation Service must accept an assignment from Union of transportation capacity on upstream pipeline systems.

Transportation Service customers in the Union North East Zone may contract with Union for transportation service from Dawn to the customer's delivery area. The charges for the transportation service will consist of the Rate C1 Dawn-Parkway firm transportation rate and applicable fuel charges, in accordance with Union's Rate C1 rate schedule, and all applicable third party (i.e. TransCanada) transportation charges on upstream pipelines from Parkway to the customer's delivery area.

**(c) Bundled Transportation Service**

For continuous delivery by Union of gas owned by the customer and for the associated transportation and storage services necessary to ensure deliverability in accordance with the customer's needs. For this service the Monthly, Delivery and Carbon (if applicable) Charges, as well as the Storage and Transportation Charges of the Gas Supply Charge, shall apply.

**MONTHLY RATES AND CHARGES**

<u>APPLICABLE TO ALL SERVICES</u>	<u>Union North West</u>	<u>Union North East</u>
<u>MONTHLY CHARGE</u>	\$23.18	\$23.18
<u>DELIVERY CHARGE</u>	<u>¢ per m<sup>3</sup></u>	<u>¢ per m<sup>3</sup></u>
First 100 m <sup>3</sup> per month @	10.0811	10.0811
Next 200 m <sup>3</sup> per month @	9.8237	9.8237
Next 200 m <sup>3</sup> per month @	9.4159	9.4159
Next 500 m <sup>3</sup> per month @	9.0416	9.0416
Over 1,000 m <sup>3</sup> per month @	8.7323	8.7323
Delivery-Price Adjustment (All Volumes) (1)	(1.7327)	(1.7327)
<u>CARBON CHARGES</u>		
Federal Carbon Charge (if applicable) (2)	7.8300	7.8300
Facility Carbon Charge (in addition to Delivery Charge)	0.0127	0.0127
Federal Carbon Charge - Price Adjustment (if applicable)	-	-

**Notes:**

(1) Approved in EB-2020-0067 (2017 & 2018 DSM Deferral and Variance Accounts), includes a temporary credit of (1.7327) cents/m<sup>3</sup> effective April 1, 2021 to September 30, 2021.

(2) The Federal Carbon Charge for on-reserve First Nations customers are interim, per the Board's Decision and Order in EB-2019-0247.