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Our File # 339583-000291

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April 13, 2022

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

Dear Ms. Marconi

**Re: Enbridge Gas Inc. (“EGI”)
2020 DSM Deferral and Variance Account Disposition Application
Board File #: EB-2022-0007**

Pursuant to Procedural Order #1 dated February 25, 2022, please consider this letter as the submissions of Canadian Manufacturers & Exporters (“CME”) with respect to EGI’s application for an Order or Orders clearing its 2020 deferral and variance account balances.

In its application, EGI sought to clear the account balances for three deferral and variance accounts related to its 2020 demand side management (“DSM”) program:

- 1) The DSM Deferral and Variance Account (the “DSMVA”), which captures the variance between budgeted and actual spending on DSM programs in a given year by rateclass;
- 2) The DSM Incentive Deferral Account (the “DSMIDA”), which captures the deferred shareholder incentive earned by EGI as a result of meeting DSM targets; and
- 3) The Lost Revenue Adjustment Mechanism Variance Account (the “LRAMVA”), which captures the variance between forecast and actual savings of natural gas, and the revenues associated with that difference in savings.

The current balances in the accounts are summarized in the following table:¹

¹ EB-2022-0007, Exhibit A, Tab 2, Schedule 1, p. 2.

Table 1
2020 DSM Deferral and Variance Account Balances - EGD Rate Zone

Account	2020
DSM Variance Account	(\$3,209,223)
DSM Incentive Deferral Account	\$3,586,470
LRAM Variance Account	\$9,404
Total Balance	\$386,651

Table 2
2020 DSM Deferral and Variance Account Balances - Union Rate Zones¹³

Account	2020
DSM Variance Account	(\$9,860,959)
DSM Incentive Deferral Account	\$2,726,196
LRAM Variance Account ¹⁴	\$1,130,027
Total Balance	(\$6,004,736)

Pursuant to Procedural Order #1, the Board found that the scope of this proceeding should be limited to the disposition and allocation of the three account balances for 2020.² The OEB also noted that the DSMIDA and the LRAMVA have already been reviewed by the Evaluation Contractor, and as a result, expected the reviews of those amounts to be a mechanistic process.³

CME has reviewed the DSMIDA and the LRAMVA balances and finds them to be calculated in an appropriate manner and consistent with the requirements of the OEB's current DSM guidelines.

EGI's evidence indicates that the significant credit balances in the DSMVA accounts are primarily a result of COVID-19 related impacts.⁴ CME accepts EGI's evidence in this regard, and submits that it was reasonable for EGI's DSM programs and spending to have been impacted by COVID-19 and the related orders from the Government of Ontario. Accordingly, CME takes no issue with EGI's application or its requested relief.

Yours very truly

Borden Ladner Gervais LLP



Scott Pollock

- c. Asha Patel (EGI)
- Dennis O'Leary (Aird & Berlis LLP)
- EB-2022-0007 Intervenors
- Allison Bernholtz (CME)
- Mathew Wilson (CME)

² EB-2022-0007, Procedural Order, February 25, 2022, p. 2.

³ EB-2022-0007, Procedural Order, February 25, 2022, p. 2.

⁴ EB-2022-0007, Exhibit I, PP.2 p. 1.