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August 9, 2023

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

Dear Ms. Marconi

**Re: EGI Disposal of Disposition of 2021 DSM DVAs**  
**Board File #: EB-2023-0062**

We are writing on behalf of Canadian Manufacturers & Exporters (“CME”). Pursuant to Procedural Order #1, please consider this letter to be CME’s submissions with respect to EGI’s application.

CME has reviewed the record before the Board in this matter, and has benefitted from reviewing both Board Staff and SEC’s submissions.

As noted by the Board in Procedural Order #1, the DSM Incentive Deferral Variance Account and the LRAM Variance Account have already been reviewed by the Evaluation Contractor. CME has no reason based on the record to differ from the review conducted by the Evaluation Contractor. Accordingly, CME agrees with Board Staff’s submissions that the balances in the accounts have generally been calculated consistent with the Board’s DSM Guidelines and the Evaluation Contractor’s Annual Verification Report.

However, CME supports the concerns outlined by SEC in its submissions. When calculating shareholder incentives, the Board should use the best available information on the amount of gas saved as a result of EGI’s DSM programs. The Evaluation Contractor has determined that “savings from past and present eTools versions do not align with more empirical results from billing analysis.”<sup>1</sup> The Evaluation Contractor, which has conducted a thorough review of the matters at issue in this proceeding, determined that after certain recommendations were actioned, that a realization rate of 84% can be used.<sup>2</sup> However, if EGI has not implemented the Evaluation Contractor’s recommendations as set out in its report, then the use of a realization rate of 84% is inappropriate.

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<sup>1</sup> EB-2023-0062, Exhibit I.SEC.1 Attachment 1 page 5 of 57.

<sup>2</sup> EB-2023-0062, Exhibit I.SEC.1 Attachment 1 page 5 of 57.

CME therefore supports SEC's request for EGI to demonstrate that it has implemented the Evaluation Contractor's recommendation, or to use a realization rate of 0.60 rather than 0.84.

CME also supports SEC's request for additional information from EGI to outline why the boiler saving component of the total lifetime cubic meters of gas saved has altered significantly from the average as determined by the Evaluation Contractor.

Yours very truly



Scott Pollock  
SP/jw

c. Vincent Caron (CME)

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