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**Enbridge Gas Inc.**  
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## **VIA EMAIL and RESS**

May 21, 2024

Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, Suite 2700  
Toronto, Ontario, M4P 1E4

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (“Enbridge Gas” or the “Company”)  
Ontario Energy Board (“OEB”) File No. EB-2023-0343  
East Gwillimbury Community Expansion Project (“East Gwillimbury Project”)  
Response to Environmental Defence (“ED”)**

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Enbridge Gas is in receipt of ED’s letter dated April 20, 2024 whereby ED requests that the OEB issue a decision regarding its intervenor evidence proposal while the proceeding is in abeyance. ED also states that, if granted leave to file evidence, ED would expand the scope of its evidence proposal to include information regarding “the past and anticipated future efforts of local community members to inform gas expansion area residents about the downsides of connecting to the gas system and the benefits of alternatives” (the “ED Community Advocacy Evidence”).<sup>1</sup>

Regarding ED’s initial intervenor evidence request – i.e., for ED to conduct and file its own surveys within the East Gwillimbury Project area to assess consumer interest in converting to natural gas versus electric heat pumps and provide survey respondents with information regarding the benefits of electric heat pumps (the “ED Surveys”), and to retain Dr. Heather McDiarmid to provide evidence regarding consumer decision-making with respect to natural gas versus electric heat pumps (the “ED Electric Heat Pump Evidence”) – Enbridge Gas reiterates its position that the OEB should deny ED’s request for the reasons set out within the Company’s March 15, 2024 letter.<sup>2</sup>

Regarding ED’s request to expand the scope of its intervenor evidence proposal to include the ED Community Advocacy Evidence, it is important to note that the request represents a fifth iteration of electric heat pump-related evidence that ED has sought to

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<sup>1</sup> EB-2023-0343, ED Correspondence (April 20, 2024) ([link](#)).

<sup>2</sup> EB-2023-0343, Enbridge Gas Correspondence (March 15, 2024) ([link](#)).

file within Natural Gas Expansion Program (“NGEP”)<sup>3</sup> project proceedings since March 2023. The five iterations include:

1. A request to file evidence of Dr. Heather McDiarmid regarding the cost-effectiveness of electric heat pumps versus natural gas.<sup>4</sup>
2. A request to file evidence of Dr. Heather McDiarmid regarding a review of Enbridge Gas’s evidence relating to the cost-effectiveness of electric heat pumps versus natural gas.<sup>5</sup>
3. A request to conduct and file the ED Surveys.<sup>6</sup>
4. A request to file the ED Electric Heat Pump Evidence.<sup>7</sup>
5. A request to file the ED Community Advocacy Evidence.<sup>8</sup>

ED’s latest request to file the ED Community Advocacy Evidence is part of a pattern of repeated attempts by ED to introduce evidence related to non-natural gas alternatives within NGEP project proceedings, adding to the duration and complexity of the regulatory process and delaying service to consumers and communities that have expressed interest in (and have been identified by provincial policy and the OEB to receive) natural gas service. For the reasons set out below, Enbridge Gas submits that the OEB should deny the proposed ED Community Advocacy Evidence.

There is no principled reason why the ED Community Advocacy Evidence should be permitted given the recent findings and reasons within the OEB’s December 13, 2023 Decision and Order to dismiss ED’s review motion (EB-2023-0313) and the OEB’s February 20 and 29, 2024 Decisions on Intervenor Evidence (EB-2022-0111, EB-2023-0200, EB-2023-0201, and EB-2023-0261). ED’s request to file the ED Community Advocacy Evidence continues to disregard the OEB’s repeated and consistent direction within NGEP project proceedings with respect to the issue of electric heat pumps, as described within Enbridge Gas’s March 15, 2024 letter.<sup>9</sup>

Furthermore, the ED Community Advocacy Evidence would have limited value in relation to the asserted purpose for the evidence (i.e., “to support [ED’s] contention that the revenue forecast underpinning the project economics is unrealistic”)<sup>10</sup>, because the ED Community Advocacy Evidence would be anecdotal in nature and not reflective of any objective or scientific assessment of attachment forecast risk. Enbridge Gas’s evidence reflects the expressed interests of actual consumers and municipalities for natural gas service.<sup>11</sup> The fact that some community members may attempt to persuade East Gwillimbury Project area residents to choose electric heat pumps over natural gas does not speak to the actual decisions that will be made by residents. Furthermore, the

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<sup>3</sup> <https://www.ontario.ca/page/natural-gas-expansion-program>: “The NGEP was created under the *Access to Natural Gas Act, 2018* to help expand access to natural gas to areas of Ontario that currently do not have access to the natural gas distribution system.”

<sup>4</sup> EB-2023-0343, Enbridge Gas Correspondence (March 15, 2024), p. 3 ([link](#)).

<sup>5</sup> EB-2023-0343, Enbridge Gas Correspondence (March 15, 2024), p. 3 ([link](#)).

<sup>6</sup> EB-2023-0343, Enbridge Gas Correspondence (March 15, 2024), p. 4 ([link](#)).

<sup>7</sup> EB-2023-0343, Enbridge Gas Correspondence (March 15, 2024), p. 4 ([link](#)).

<sup>8</sup> EB-2023-0343, ED Correspondence (April 20, 2024) ([link](#)).

<sup>9</sup> EB-2023-0343, Enbridge Gas Correspondence (March 15, 2024), pp. 4-5 ([link](#)).

<sup>10</sup> EB-2023-0343, ED Correspondence (March 22, 2024), pp. 2-3 ([link](#)).

<sup>11</sup> EB-2023-0343, Exhibit B, Tab 1, Schedule 1, p. 4, para. 10 ([link](#)); EB-2023-0343, Exhibit B, Tab 1, Schedule 1, Attachments 2 and 3 ([link](#)).

East Gwillimbury Project does not require all residents to attach to the natural gas system to result in a Profitability Index of 1.0.

It is also important to note that efforts to promote electric heat pumps within the East Gwillimbury Project area are being directly informed and supported by ED and include biased and misleading information being provided to residents by ED. Specifically, a pamphlet that ED has been providing to East Gwillimbury Project area residents can be found at Attachment 1 to this letter. Accordingly, the ED Community Advocacy Evidence cannot be viewed as reliable or probative information in relation to the East Gwillimbury Project attachment forecast.

ED's pamphlet is biased and misleading as it is designed to provide consumers with selective information regarding the benefits of electric heat pumps and the downsides of natural gas only, while omitting any information regarding the downsides of electric heat pumps and the benefits of natural gas. For example:

- While ED's pamphlet provides information regarding incentives available to offset the upfront costs associated with conversions to electric heat pumps, it omits any information regarding the potential magnitude of the upfront costs. These upfront costs can be significant in many cases, making conversions to electric heat pumps less cost-effective than conversions to natural gas.<sup>12</sup>
- ED's pamphlet does not mention the policy risk associated with the Federal Carbon Charge continuing as planned until 2030 and how that risk could impact the economics of electric heat pumps versus other energy solutions, including natural gas.<sup>13</sup> Recognizing the existence of this risk (as opposed to ignoring it as ED appears to do) is simply to acknowledge facts that are relevant to the choice of energy consumers (even if the facts are inconvenient to ED's interests in the promotion of electric heat pumps and the opposition to natural gas expansion projects<sup>14</sup>), and in no way represents any political position or prognostication by Enbridge Gas as ED would have consumers and the public believe.<sup>15</sup>

For the reasons set out above and in prior submissions, Enbridge Gas submits that the OEB should deny ED's initial intervenor request (the ED Surveys and the ED Electric Heat Pump Evidence) and ED's request to expand its intervenor evidence proposal to include the ED Community Advocacy Evidence. As a matter of procedural fairness, if the OEB makes provision for ED's evidence, Enbridge Gas requires the opportunity for discovery and to file responding evidence.

Additionally, concerns regarding the quality of information ED is providing to residents of NGEF project areas extend to the issues of energy reliability, energy costs, and

<sup>12</sup> EB-2022-0111, Exhibit I.ED.28 (September 20, 2023), pp. 5-6 ([link](#)).

<sup>13</sup> EB-2022-0111 & EB-2023-0200/0201/0261, Enbridge Gas Correspondence (January 18, 2024), pp. 2-3 ([link](#)).

<sup>14</sup> EB-2023-0313, Reply Submissions of ED (November 29, 2023), p. 3 ([link](#)).

<sup>15</sup> See: (i) EB-2022-0111 & EB-2023-0200/0201/0261, OEB Correspondence (December 28, 2023), p. 4 ([link](#)), raising a question about the policy risk associated with the federal carbon charge continuing as planned until 2030; (ii) ED Correspondence (January 11, 2024) ([link](#)), which ignored the OEB's question; and, (iii) Enbridge Gas Correspondence (January 18, 2024), pp. 2-3 ([link](#)), which factually addressed the question. Also see National Observer article - *Enbridge wades into gas tax politics* (January 23, 2024) ([link](#)), which quotes misleading statements provided by ED, including the baseless claim that Enbridge is "banking on a repeal of carbon pricing".

consumer safety. Specifically, it is unclear whether ED has engaged electricity distributors serving the areas regarding electricity system needs arising from conversions to electric heat pumps. Conversions to electricity from existing propane, heating oil, or natural gas configurations for whole-home heating without engagement and planning from electricity distributors could result in negative consequences to the area's electricity reliability. This is not only important in the context of energy costs that could be required to ensure electricity reliability within the area, but also in the context of consumer safety on the coldest days of the year.

If you have any questions, please contact the undersigned.

Sincerely,

Haris Ginis  
Technical Manager, Regulatory Applications

c.c. Arturo Lau (OEB Staff)  
Intervenors (EB-2023-0343)

Attachment 1: ED Pamphlet to East Gwillimbury Project Area Residents

# Heat Pumps Beat Gas Hands Down



**Fact 1** The cost of gas expansion projects is paid for in part with a **\$0.23/m<sup>3</sup>** surcharge in gas expansion communities.

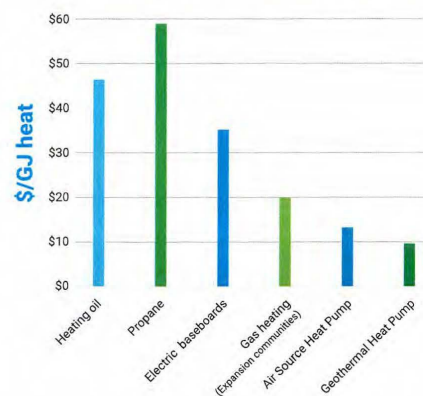
Enbridge Gas is building pipelines to supply fossil gas in new areas across the province. This expansion is paid for by a **\$1 per month subsidy** from all Enbridge Gas customers and a **\$0.23/m<sup>3</sup> surcharge for customers** in gas expansion communities. This means that homeowners in these new gas communities who opt for a gas hookup will pay almost **50% more** per cubic metre than Enbridge's existing customers. Homes that are set back from the road may also be charged extra to run the gas lines to their home.

### Using a heat pump is the most cost-effective heating solution in gas expansion communities.

A heat pump moves heat rather than generating heat, making it far more efficient and **more cost effective** to operate than any other heating option available in Ontario's gas expansion communities. During the winter of 2024, a home that heats with a cold climate air source heat pump (ccASHP) would spend **one-third less** on home heating than if they had installed a gas furnace. With a ground source heat pump (GSHP), the cost of heat would be **cut in half**.

And homes that avoid hooking up to gas will **save an additional \$300 per year** in gas connection charges.

\$(unit heat output) at winter 2024 rates



## Fact 2 There are incentives available for households that are installing heat pumps.

The Greener Homes Loan program<sup>1</sup> that offers **interest-free financing for heat pumps** and other energy efficiency measures is still operating.

Grants of up to **\$10,000** are also available through the Oil to Heat Pump Affordability Program<sup>2</sup>.

If your home is electrically heated (e.g., baseboards) and you have a low to moderate income, you could be eligible for a **free heat pump** (including installation) from the province's Save on Energy program<sup>3</sup>.

Ask your installer about these and other incentives available in your area.

## Fact 3 Heat pumps will benefit you in other ways.

A heat pump is basically an air conditioner that can work in reverse. In summer, a heat pump pulls heat from the home and dumps it outside, and in winter it pulls heat from outside to heat your home (there is still heat in even cold air). With summers heating up, having access to **cooling** in summer is no longer a luxury, it is a necessity.

Many homeowners with a heat pump will tell you that their home is more comfortable<sup>4</sup> since it has been installed. This is because heat pumps provide more even heat throughout the day and operate more efficiently when setbacks are minimized.

All electric homes also protect you from **toxic fumes from gas** equipment and reduce the risk of **childhood asthma**.<sup>5</sup> Thirteen percent of childhood asthma in the United States is attributable to gas stove use.<sup>6</sup> Keeping gas out also eliminates the risk of **carbon monoxide poisoning**.

A heat pump is also one of the most important steps that you can take to reduce your **climate** impact, save on carbon taxes, and protect yourself from volatile gas prices.

## Fact 4 Ask about alternatives to upgrades to electrical panels when installing heat pumps and other electric appliances.

Ask your electrician about smart panels, circuit sharers, circuit pausers and breaker consolidation<sup>7,8</sup>. These are all options to avoid an electrical service or panel upgrade when adding new electrical appliances.



Zero interest financing available



Check if you are eligible for a free heat pump



Learn how to save yourself time and money by electrifying on a 100 Amp panel



**No matter how you look at it, heat pumps are your best option for home heating.**

1 <https://natural-resources.canada.ca/energy-efficiency/homes/canada-greener-homes-initiative/canada-greener-homes-loan/24286>  
 2 <https://natural-resources.canada.ca/energy-efficiency/homes/canada-greener-homes-initiative/oil-heat-pump-affordability-program/24775>  
 3 <https://saveoney.ca/For-Your-Home/Energy-Affordability-Program/Air-Source-Heat-Pumps> 4 <https://www.cleanairalliance.org/heat-pump-testimonials/> 5 CBC, After seeing how gas stoves pollute homes, these researchers are ditching theirs, April 7, 2022 (<https://www.cbc.ca/news/science/gas-stoves-air-pollution-1.6394514>) 6 Taylor Gruenwald et al, Population Attributable Fraction of Gas Stoves and Childhood Asthma in the United States, Int. J. Environ. Res. Public Health 2023, 20(1), 75 (<https://doi.org/10.3390/ijerph20010075>) 7 <https://homes.rewiringamerica.org/articles/electrical-panel/how-to-electrify-home-100-amp> 8 <https://www.peninsulacleanenergy.com/wp-content/uploads/2023/02/Design-guidelines-for-home-electrification-v021023.pdf>



environmental  
defence



**Join us in person on May 8th from 7 to 8:30 PM in Newmarket, to discuss energy efficiency for your home and the potential of heat pumps as a cleaner and cheaper alternative to heat your home.**

**EVENT DETAILS**

**Date:** May 8th, 2024 **Time:** 7 PM - 8:30 PM

**Location:** 707 Srigley St, Newmarket, ON L3Y 1X4 (Royal Canadian Legion Branch 426)

Maybe you've heard about heat pumps but aren't sure if they are a good fit for you, or you are interested in exploring what options are available other than natural gas (also known as toxic fossil gas).

Gas has traditionally been the cheapest source of energy, but heat pumps have come a long way and are now the cheapest and safest way to heat your home and water.

Hear from research scientist **Erik Janssen from the Toronto and Region Conservation Authority's Sustainable Technologies Evaluation Program**, as well as **Art Lightstone, an educator and local homeowner in Newmarket** on the benefits of switching to a heat pump.

Presentations will be followed by a question and answer session with our speakers on all things heat pumps!

With gratitude,



**Keith Brooks**  
Programs Director, Environmental Defence