

BY EMAIL

May 23, 2024

To: Enbridge Gas Inc.

Evaluation Advisory Committee (EAC) Participants in EB-2021-0002

Re: 2022 Natural Gas Demand Side Management Annual Verification Report Ontario Energy Board File Number: EB-2022-0295

The Ontario Energy Board (OEB) has issued the final 2022 Natural Gas Demand Side Management (DSM) Annual Verification Report. The 2022 Annual Verification Report was developed by the OEB's Evaluation Contractor (EC), DNV Energy Insights, USA. The report includes the evaluation, measurement, and verification (EM&V) results of Enbridge Gas Inc.'s 2022 DSM programs.¹

The process to review, verify and assemble the final report documenting the 2022 DSM program results included several months of analysis and review by the EC, with input from the OEB's Evaluation Advisory Committee (EAC), as well as OEB staff. The OEB thanks all participants in the 2022 program evaluation process.

The final 2022 OEB DSM results will be posted on the OEB's <u>Engage With Us</u> webpage. Enbridge Gas Inc. is expected to file its application to clear the 2022 DSM deferral and variance account balances based on the results contained in the 2022 DSM Annual Verification Report. The application will be subject to an adjudicative process.

2022 DSM Annual Verification Report

The OEB's 2022 Natural Gas DSM Annual Verification Report summarizes the total verified savings achieved by all 2022 DSM programs, including custom and prescriptive programs. The EC reviewed program documentation and results and completed calculations to determine eligible shareholder incentive amounts, lost revenues, and cost-effectiveness results to inform its final opinion on the 2022 DSM results.

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¹ Enbridge Gas Distribution Inc. and Union Gas Limited amalgamated effective January 1, 2019 to become Enbridge Gas Inc.; however, because the programs continued to be implemented individually through the end of 2022, the EC evaluated each program by legacy utility.

Consistent with past Annual Verification Reports, the 2022 report includes recommendations from the EC that focus primarily on issues related to program data and databases, energy modelling, and cost-effectiveness. The status of the EC's recommendations are also provided to allow stakeholders an understanding of the progress toward implementing each recommendation. The EC's recommendations are provided to help consider actions that may reduce costs (evaluation and/or program), improve savings accuracy, and/or decrease risk (such as risk of negative savings adjustments attributable to the utility).

2023 DSM Evaluation

Enbridge Gas Inc. submitted its Draft 2023 Annual DSM Report on April 1, 2023. Consistent with past practice, the OEB expects Enbridge Gas Inc. to work cooperatively with the EC to provide documentation in a timely manner to facilitate an efficient evaluation process.

Questions about the 2022 DSM results report and 2022 DSM evaluation should be directed to Josh Wasylyk at josh.wasylyk@oeb.ca. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Nancy Marconi Registrar