



Ontario
Home Builders'
Association

May 30, 2024

To: Nancy Marconi, OEB Registrar
Delivered via email: registrar@oeb.ca

Re: Securing access to natural gas for Ontario's future

On behalf of the Ontario Home Builders Association (OHBA), we are submitting a letter of comment on Enbridge Gas Inc.'s Rate Rebasing Application Phase 2 (EB-2024-0111).

OHBA is the voice of the residential construction industry in Ontario, representing 4,000 member companies in 27 local associations across the province; our members include builders, professional renovators, trade contractors and service professionals. Collectively, we have the vital responsibility to build the housing supply and choices that the people of Ontario want.

The economic impacts of the new home development and construction sector is essential to continuing Ontario's economic growth and prosperity.¹

- 193,422 jobs On- and off-site jobs – a major source of employment in Ontario.
- \$13.6 B in wages and \$33.2B in investment that spur and grow local communities and their economies across the Province.

OHBA applauds the work the Government of Ontario has done to continue to advance access to affordable energy and propel economic growth, including the Natural Gas Expansion Program and the *Keeping Energy Costs Down Act*.

OHBA supports a measured approach to Ontario's energy transition; one that leverages existing natural gas infrastructure and invests in lower-carbon alternatives such as renewable natural gas and hydrogen – in addition to building incremental electricity supply.

An integrated approach to Ontario's energy transition, where pipes and wires work together, will ensure Ontario maintains an energy system that is resilient and cost-effective while supporting the province's decarbonization efforts.

OHBA recognizes that growing communities and new developments have growing energy needs to support housing developments, new businesses (office/commercial and retail), community centres, hospitals, and schools—and all Ontarians benefit from this growth.

OHBA's interest in this Phase 2 hearing is based on the potential consideration of debating the merits and outcomes related to Item 3 in the Draft Issues List.

¹ Estimates based on 2022 data from CMHC and Statistics Canada.

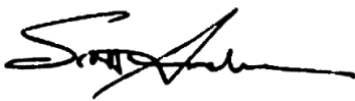
Any consequential reduction in capital spending of natural gas distribution system expansion to new residential communities' places severe uncertainty on thousands of housing units that were planned and, in many cases, approved by municipal Councils across much of Ontario's fastest-growing communities. This significantly constrains OHBA members' ability to positively contribute to addressing Ontario's housing and affordability crisis.

The OEB should be made aware that the average timeline of a housing project from acquisition to home occupancy in this province is approximately 10-12 years. Therefore, most of Ontario's expected annual housing targets have been in the planning and municipal approvals pipeline for several years already. Therefore, any decision that alters the status quo may have a material consequence to meeting the province's stated housing supply targets of 1.5 million homes and uncertainty of future investment and jobs across Ontario.

Working with municipalities, OHBA members are investing, designing and planning for immense future growth. In turn, certainty and predictability are critical. Furthermore, assurances that affordable, resilient natural gas will be available to support economic and community development –is crucial, as is preserving customer choice.

Natural gas meets 40 percent of Ontario's energy needs, plays a critical role in Ontario's energy evolution, and supports the reliability of Ontario's electricity system. We would like to ensure that hearings like this represent our members' voices and priorities, like our own, on the need for natural gas and natural gas infrastructure to support the province's diversified energy mix.

Best regards,

A handwritten signature in black ink, appearing to read 'Scott Andison', with a stylized, flowing script.

Scott Andison

Chief Executive Officer, Ontario Home Builders' Association

CC: Hon. Doug Ford, Premier of Ontario
Hon. Todd Smith, Minister of Energy
Hon. Paul Calandra, Minister of Municipal Affairs and Housing