

BY EMAIL and RESS

October 8, 2024

Ms. Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Marconi:

EB-2022-0335 Enbridge Gas Inc. Integrated Resource Planning (IRP) Pilot Project Application - Building Owners and Managers Association Submission

Pursuant to the Ontario Energy Board (OEB) Procedural Order No. 5, please find attached Building Owners and Managers Association's (BOMA) submission pertaining to the above noted proceeding.

Sincerely,



Clement Li
Director, Policy & Regulatory Development
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EB-2022-0335 Enbridge Gas Inc. Integrated Resource Planning Pilot Project Application

Building Owners and Managers Association Submission

1. Introduction

The Building Owners and Managers Association (BOMA) represents over 800 Ontario Property and Facility Owners, Managers, Developers, Leasing Agents, and Commercial Real Estate Professionals. Its members account for 80 per cent of all commercial and industrial real estate companies throughout Ontario. Over the years, BOMA has been active in protecting and advancing the interests of its members on important policy issues including energy transition, energy pricing and supply, property taxes, labour requirements, building materials and equipment regulations.

2. Submissions

BOMA is highly supportive of Integrated Resource Planning (IRP). BOMA considers IRP to be a critical part of an affordable energy transition. Our members are looking to engage fully with Enbridge Gas Inc. (EGI) and with the Independent Electricity System Operator (IESO) in a standardized process whereby large commercial buildings with high natural gas and electricity demand can be engaged early to co-invest in peak demand reduction projects, which are critical to decarbonization efforts. Many commercial and institutional buildings have large ventilation systems and internal process loads and can contribute substantively (when compared to other sectors) to peak demand reduction and avoidance of infrastructure costs.

BOMA believes the proposed South Lake Huron (SLH) pilot can answer some important questions about the potential for peak demand reduction which can inform scaling up to a province-wide application of the principles. However, we have concerns regarding some aspects of the proposed pilot:

- **Timing:** There have been project scope changes and delays, and this proposed IRP pilot is already years behind the original timeline set by the OEB in its July 22, 2021 Decision on EGI's IRP Proposal Application (EB-2020-0091). This pilot project has a proposed term of 2023 to 2027. Annual pilot updates are expected to be issued in 2025, 2026 and 2027, but the final pilot report will not be available until Q4 2027, which is three years from now. Any further setback of this pilot project is simply not

acceptable and will risk the progress of province-wide IRP activities. BOMA also recommends EGI to engage potential participants and all stakeholders as soon as possible. Potential participants (especially large business owners) need to be informed well in advance to allow time for project and capital planning.

As per the OEB's July 22, 2021 Decision (EB-2020-0091), EGI had been directed to begin integrating IRP into its existing planning processes, effective immediately on the day the OEB decision was issued. As such, BOMA notes that while the proposed SLH pilot will provide some good lessons learnt and will help fine-tune the process for province-wide applications of IRP in the future, the timeline of this pilot project should not delay EGI's current effort on IRP delivery and outcomes. Ontario and large commercial buildings cannot wait three years or more to start taking coordinated action on IRP opportunities. Every EGI capital infrastructure project should already be subject to a formal review of the current gas demand profile for the section of the gas system involved, and the potential peak demand reductions in related large commercial buildings.

- Lack of Large Commercial Customers in Pilot Area The selected pilot area is dominated by residential and small business customers (as verified by Exhibits JT1.21 and JT1.22). Large commercial customers with high natural gas usage with great DSM saving potential are not well represented in this pilot. A second IRP pilot in areas where large commercial and institutional buildings are present would provide important and relevant data for province-wide IRP applications, which cannot be obtained from the current residential and small business dominant pilot. A second IRP project requirement is also consistent with the OEB Decision on EGI's IRP Proposal Application (EB-2020-0091). As noted above, timing is key and therefore BOMA believes it is important for EGI to consider and design this second pilot without delaying the timeline of the proposed Southern Lake Huron (SLH) project.
- Customer Engagement and Pilot Components The customer engagement process is key to successful pilot design and BOMA has the following recommendations:
 - Timing - as noted above, potential participants need to be engaged well in advance, especially when capital investment (such as exhaust air heat recovery to reduce peak demand) is involved. Other stakeholders and potential partners (e.g. municipalities, district energy services providers) also need to be engaged as early as possible.
 - Who should be engaged? – It is important that customers are directly engaged (engagement with energy consultants in the area is not sufficient) in the

- process. BOMA is aware that there are commercial/institutional buildings in the area that would show interest but currently have no knowledge of this upcoming pilot. BOMA can assist with this engagement and is looking for direct involvement with EGI in the pilot project.
- Offerings – EGI’s September 24, 2024, Argument in Chief summarizes the proposed components of the IRP pilot project (full details at Exhibit D, Tab 1, Schedule 2). BOMA understands that EGI’s current plan for commercial customers is to leverage existing DSM programs, including Custom, Prescriptive and Direct Install offerings. We suggest that some elements of the Pay for Performance program, including interval metering, identification of measures and technical support, could help schools, municipal buildings, healthcare and college facilities play a more active role in the pilot.

3. Conclusion

BOMA is generally supportive of EGI’s proposed IRP pilot project and recommends that the Application should be approved, subject to the changes and caveats noted above.