



Enbridge Gas Inc.

**Application for the disposition of 2022 Demand Side
Management Deferral and Variance Accounts**

PROCEDURAL ORDER NO. 1

October 18, 2024

Enbridge Gas Inc. (Enbridge Gas) filed an application with the Ontario Energy Board (OEB) on August 31, 2024, under section 36 of the *Ontario Energy Board Act, 1998* seeking approval to clear 2022 deferral and variance account balances in three Demand Side Management (DSM) deferral and variance accounts (DVA), related to the delivery of natural gas conservation and energy efficiency programs.

Enbridge Gas has also applied for approval to include an interim deferral disposition of \$60 million to offset a portion of overspent amounts related to the Home Efficiency Rebate Plus offering in 2024.

A Notice of Hearing was issued on September 23, 2024. Each of Environmental Defence (ED), Energy Probe Research Foundation (EP), Pollution Probe and School Energy Coalition (SEC), applied for intervenor status and cost eligibility.

Intervention Request of ED

In its Annual Filing of Frequent Intervenor, ED identifies itself as “a leading Canadian environmental advocacy organization that works with government, industry and individuals to defend clean water, a safe climate and healthy communities.” In its Intervention Form for this proceeding, ED described its issues as “Whether the disposition and recovery of the relevant deferral and variance account amounts are appropriate and whether the proposed \$60 million one-time interim deferral disposition is appropriate.”

The current proceeding will consider Enbridge Gas’ request to clear the 2022 balances in its three DSM deferral and variance accounts based on an existing OEB-approved framework. Enbridge Gas has also applied for approval to include an interim deferral disposition of \$60 million. The current proceeding will consider Enbridge Gas’ request to clear this amount on an interim basis as a rate mitigation measure. Enbridge Gas has proposed that the prudence of the associated spending be considered as part of a future DSM DVA proceeding. The intention of the current proceeding is not to develop a

new DSM framework or policy or modify the existing OEB-approved policy. No significant policy issues will be considered in this proceeding.

Rule 22.02 of the OEB's Rules of Practice and Procedure provides that the party applying for status must satisfy the OEB that it has a "substantial interest" in the proceeding. Given ED's mandate and the scope of the current proceeding, the OEB finds that ED does not have a substantial interest in this proceeding and its intervention request is denied. The current proceeding will not be re-visiting any policy-related aspects, and ED does not primarily represent ratepayers.

Intervention Request of EP

In its Annual Filing of Frequent Intervenor, EP identifies itself as "one of Canada's leading environmental and public policy research institutes" and notes its four main goals as "to provide the public, media, business, and government with information on resource-related issues; to promote sustainable resource use; to encourage individual responsibility and accountability; and to help Canada contribute to global justice and prosperity". In its Intervention Form for this proceeding, EP described its issues as "Members and supporters of Energy Probe are ratepayers of the applicant. The rates they pay will be impacted by the outcome of this proceeding." EP describes its policy issues as "EP has no specific policy interest in this proceeding."

The current proceeding will consider Enbridge Gas' request to clear the 2022 balances in its three DSM deferral and variance accounts based on an existing OEB-approved framework. Enbridge Gas has also applied for approval to include an interim deferral disposition of \$60 million. The current proceeding will consider Enbridge Gas' request to clear this amount on an interim basis as a rate mitigation measure. Enbridge Gas has proposed that the prudence of the associated spending be considered as part of a future DSM DVA proceeding. The intention of the current proceeding is not to develop a new DSM framework or policy or modify the existing OEB-approved policy. No significant policy issues will be considered in this proceeding.

Rule 22.02 of the OEB's Rules of Practice and Procedure provides that the party applying for status must satisfy the OEB that it has a "substantial interest" in the proceeding. Given EP's mandate and the scope of the current proceeding, the OEB finds that EP does not have a substantial interest in this proceeding and its intervention request is denied. The current proceeding will not be re-visiting any policy-related aspects, and EP does not primarily represent ratepayers.

Intervention Request of Pollution Probe

In its Annual Filing of Frequent Intervenor, Pollution Probe identifies itself as “a recognized leader in defining progress through policy development and intervention, research, awareness, education and pressing for practical balanced solutions in a collaborative manner”. In its Intervention Form for this proceeding, Pollution Probe describes its issues as: “Pollution Probe has been an active participant in DSM account clearance proceedings. The issues of focus for this proceeding are the amounts, calculation and underlying support for the accounts requested for clearance. This proceeding will have a direct impact on consumers (i.e., rates) and policy implications (compliance with the DSM policies, procedures and OEB Decision pertaining to 2022). The 2022 DSM programs have been subject to a DSM audit and the 2024 interim DSM amount requested to be cleared has not been subject to a DSM audit at this time.”

The current proceeding will consider Enbridge Gas’ request to clear the 2022 balances in its three DSM deferral and variance accounts based on an existing OEB-approved framework. Enbridge Gas has also applied for approval to include an interim deferral disposition of \$60 million. The current proceeding will consider Enbridge Gas’ request to clear this amount on an interim basis as a rate mitigation measure. Enbridge Gas has proposed that the prudence of the associated spending be considered as part of a future DSM DVA proceeding. The intention of the current proceeding is not to develop a new DSM framework or policy or modify the existing OEB-approved policy. No significant policy issues will be considered in this proceeding.

Rule 22.02 of the OEB’s Rules of Practice and Procedure provides that the party applying for status must satisfy the OEB that it has a “substantial interest” in the proceeding. Given Pollution Probe’s mandate and the scope of the current proceeding, the OEB finds that Pollution Probe does not have a substantial interest in this proceeding and its intervention request is denied. The current proceeding will not be re-visiting any policy-related aspects, and Pollution Probe does not primarily represent ratepayers.

Intervention Request of SEC

SEC represents a defined ratepayer interest and is approved as an intervenor. The list of parties in this proceeding is attached as Schedule A to this Procedural Order.

SEC is eligible to apply for an award of costs under the OEB’s [Practice Direction on Cost Awards](#). However, the balances in the DSM Incentive Deferral Account and the LRAM Variance Account have been reviewed by the Evaluation Contractor as part of an OEB-coordinated evaluation, measurement and verification process. As such, the OEB

expects its review of these accounts to be a mechanistic process and does not intend to award costs for the review of these two accounts.

SEC should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party unless a compelling reason is provided when cost claims are filed.

To avoid duplication of effort, SEC should review OEB staff's interrogatories and submissions prior to filing its respective interrogatories and submissions. In making its decision on cost awards, the OEB will consider whether SEC made reasonable efforts to focus its participation on issues that are within the scope of the OEB's review and whether it made reasonable efforts to avoid duplication.

The OEB is making provision for the following related to this proceeding. Further procedural orders may be issued by the OEB.

IT IS THEREFORE ORDERED THAT:

1. OEB staff shall request any relevant information and documentation from Enbridge Gas that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on Enbridge Gas and SEC by **November 1, 2024**.
2. SEC shall request any relevant information and documentation from Enbridge Gas that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on Enbridge Gas and OEB staff by **November 8, 2024**.
3. Enbridge Gas shall file with the OEB complete written responses to the interrogatories and serve them on SEC and OEB staff by **November 22, 2024**.
4. Any written submissions by OEB staff shall be filed with the OEB and served on Enbridge Gas and SEC by **December 6, 2024**.
5. Any written submissions by SEC shall be filed with the OEB and served on Enbridge Gas and OEB staff by **December 13, 2024**.
6. Enbridge Gas may file a written reply submission with the OEB and serve it on SEC and OEB staff by **January 10, 2024**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is

defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2024-0193** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Michael Bell at Michael.bell@oeb.ca and OEB Counsel, Lawren Murray at lawren.murray@oeb.ca.

Email: registrar@oeb.ca
Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, October 18, 2024

ONTARIO ENERGY BOARD

By delegation, before: Nancy Marconi

Nancy Marconi
Registrar

Enbridge Gas Inc.
EB-2024-0193

APPLICANT & LIST OF INTERVENORS

October 18, 2024

APPLICANT

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INTERVENORS

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