

March 7, 2025

VIA EMAIL AND RESS

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

Dear Ms. Marconi:

**Re: Enbridge Gas Inc. ("Enbridge Gas" or the "Company")
Multi-Year Demand Side Management Plan 2026-2030 Application
("Application")
EB-2024-0198**

Pursuant to Procedural Order No. 1 dated March 4, 2025, these are the submissions of Enbridge Gas in respect of the draft Issues List prepared by OEB staff which was attached as Schedule B to the Procedural Order.

In this submission Enbridge Gas will first address matters specific to several of the draft issues. It will then offer comments in respect of matters of more general concern.

Comments Specific to Draft Issues

Enbridge Gas offers the following comments that are specific to the draft Issues List. The comments are organized by draft issue number.

Draft Issue No. 1

This draft issue currently reads: *Does Enbridge Gas's 2026-2030 DSM Plan adequately support energy conservation, energy efficiency, and integrated planning in accordance with the policies of the Government of Ontario, including having regard to consumers' economic circumstances?*

This issue as currently drafted asks whether the DSM Plan as filed adequately supports, *inter alia*, "integrated planning" in accordance with the policies of the Government of Ontario including having regard to consumers' economic circumstances.

It is not clear to Enbridge Gas what is meant by "integrated planning" and what Government policies would apply to this term. If the words "integrated planning" are meant to refer to integrated resource planning ("IRP"), then it is submitted that this is already subsumed within Draft Issue No. 17 and that the words "integrated planning" can be removed from this draft issue.

Enbridge Gas notes that the words "integrated planning" appear in the Minister of Energy and Electrification's ("**Minister**") Renewed Letter of Direction to the OEB dated December 19, 2024 ("**Renewed Letter of Direction**") which states:

“On January 19, 2024, the Electrification and Energy Transition Panel’s (EETP) final report, *Ontario’s Clean Energy Opportunity*, was released. It builds on the government’s *Powering Ontario’s Growth* plan and provides valuable insights and recommendations for future long-term integrated planning and the energy transition.”¹ (emphasis added)

The Renewed Letter of Direction also refers to the Government of Ontario's intention to develop a long-term Integrated Energy Plan which it will not be releasing until later this year.²

Whether it is this reference or the earlier reference in the Renewed Letter of Direction that is intended, Enbridge Gas notes that the references relate to the broader energy transition of which DSM is a subset. It should be recalled that DSM is designed and implemented pursuant to an OEB-approved DSM Framework³ which itself does not reference the term “integrated planning”. The Company therefore questions the inclusion of the words “integrated planning” in this draft issue and recommends that these words be removed.

Draft Issue No. 6

This draft issue currently reads: *Is Enbridge Gas’s proposed inclusion of electrification/fuel switching program offerings appropriate?*

It should be recognized that there are no specific electrification/fuel switching program offerings being proposed by Enbridge Gas within its Application. There are measures within certain program offerings which may lead to fuel switching, however the draft issue as currently worded is simply not accurate. Enbridge Gas proposes that the issue be reworded to read:

“Does Enbridge Gas’s DSM Plan appropriately include fuel switching measures/opportunities?”

Draft Issue No. 8

This draft issue currently reads: *Does Enbridge Gas’s proposed budget, including program costs and portfolio costs, result in reasonable rate impacts, while addressing the OEB’s DSM objectives in its DSM Framework?*

As the DSM Framework sets out both objectives and a comprehensive set of guiding principles for DSM plan and program development, the Company submits that the issue should be reworded at the end to read:

“...while addressing the OEB’s DSM objectives and guiding principles in its DSM Framework?”

¹ Minister’s Renewed Letter of Direction, page 2. Also see the Minister’s Letter of Direction to the OEB dated November 29, 2023, page 4.

² Ministers’ Renewed Letter of Direction, pages 3-4.

³ Application for Multi-Year Natural Gas Demand Site Management Plan (2022 to 2027), EB-2021-0002, Decision and Order Dated November 15, 2022, (the “**2022 DSM Decision**”), Schedule E.

Draft Sub-Issue No. 11(e)

This draft sub-issue currently reads: *Is Enbridge Gas's proposed Large Volume Program Scorecard, including targets and performance metrics appropriate?*

This sub-issue relates to large volume program offerings. Given that the Company has included in its Application an opt-out framework proposal for eligible large volume customers, Enbridge Gas submits that this sub-issue should be amended to also reference the opt-out framework proposal. The reworded sub-issue would then read:

“Is Enbridge Gas's proposed Large Volume Program Scorecard, including targets and performance metrics appropriate, including the impact of the opt-out framework proposal as proposed?”

Draft Issue No. 12

This draft issue currently reads: *Has Enbridge Gas proposed an optimal suite of program offerings that will maximize natural gas savings and provide the best value for ratepayer funding?*

While Enbridge Gas believes that maximizing natural gas savings and providing value for ratepayers are important objectives, they do not necessarily encompass all of the DSM Framework's objectives and guiding principles which have informed the development of the Application and the DSM Stakeholder Advisory Group (“**SAG**”) Report. Enbridge Gas therefore proposes the issue be slightly amended to read as follows:

“Has Enbridge Gas proposed an optimal suite of program offerings that is responsive to the DSM Framework's objectives and guiding principles?”

Enbridge Gas submits that maximizing natural gas savings and providing best value for ratepayers are objectives subsumed in the DSM Framework's objectives and guiding principles.

Draft Sub Issues No. 12(a) & 12(b)

These two draft sub-issues currently read:

12 a) Are Enbridge Gas's proposed program offers for residential customers appropriate?

12 b) Are Enbridge Gas's proposed residential beyond building code program offerings appropriate?

The fact is that the Residential Building Beyond Code Offering⁴ is a subset of and part of the Residential Program referenced in Draft Sub-Issue No. 12(a). Enbridge Gas believes that Draft Sub-Issue No. 12(b) is simply not required and can be removed as it is subsumed in Draft Sub-Issue No. 12(a).

⁴ See Exhibit E, Tab 2, Schedule 1, page 17, Table 5; and, Exhibit E, Tab 2, Schedule 7.

Draft Issue No. 13

The draft issue currently reads: *Are Enbridge Gas's proposed research and development intentions and activities appropriate?*

The use of the term "intentions" is unclear. It is presumed that the wording is intended to refer to the research and development initiatives and proposals as proposed in the Application including the Energy Innovation Fund.⁵ For the sake of clarity, Enbridge Gas proposes that this issue read:

"Are Enbridge Gas's research and development proposals appropriate?"

At this time, the Company has no comments in respect of the balance of the draft issues, subject to the additional comments below. Should other parties suggest modifications to the draft Issues List, Enbridge Gas may file additional comments in reply in accordance with Procedural Order No. 1.

Additional Comments

As noted earlier, the Application that has been filed by the Company was designed and developed in accordance with the DSM Framework which was approved by the OEB in its 2022 DSM Decision.⁶ The DSM Framework is itself the product of numerous hearings, years of practical application and the input of a broad spectrum of stakeholders over many years. There can be no doubt that it was the expectation of the OEB that the Application would be developed in accordance with the DSM Framework and with the input of the SAG. As specifically noted by the OEB in its 2022 DSM Decision:

"The DSM Framework includes guidance related to the OEB's expectations for the current 2023-2025 DSM Plan term, as well as the expectations, stakeholdering and planning processes that should be used to prepare the next DSM Plan."⁷

Enbridge Gas further notes that this Application is unique in comparison to earlier Multi-Year DSM Plan Applications in that the OEB ordered the creation of the SAG which it believed would contribute to not only the efficacy of the DSM Plan but also, importantly, regulatory efficiency.

Enbridge Gas and other members of the SAG invested a considerable amount of time and effort regularly meeting and ultimately generating the SAG Report.⁸ The 2022 DSM Decision is replete with references to the SAG providing input on relevant matters and the OEB explicitly directed that the SAG Report should include members' comments on Enbridge Gas's 2026-2030 DSM Plan.⁹

The Company notes that the SAG Report specifically includes the following recommendation:

⁵ See Exhibit A, Tab 2, Schedule 1, page 2, paragraph 4(c); and, Exhibit D, Tab 7.

⁶ 2022 DSM Decision, Schedule E.

⁷ 2022 DSM Decision, page 16.

⁸ Exhibit C, Tab 1, Schedule 4. Also see paragraphs 3-4.

⁹ 2022 DSM Decision, Schedule D, page i.

“Non-utility members agreed that should participants in Enbridge’s next multi-year DSM plan proceeding raise policy concerns (for example, regarding the primary objective of DSM, reasonableness of guiding principles, or other structural items), that these be addressed separately, either simultaneous to the DSM plan application proceeding (but not directly applicable) or immediately following the OEB’s decision. This way, updated policy direction will be available to inform Enbridge’s DSM planning efforts for its next multi-year plan.”¹⁰

Enbridge Gas agrees with the above quotation and submits that the Issues List should be interpreted in light of the work undertaken by the SAG as expressed in the SAG Report and in light of the obligation incumbent on the Company to propose a DSM Plan consistent with the DSM Framework. This Application involves a review of the appropriateness of issues such as the budgets, scorecards, incentive levels and program offerings that have been proposed by Enbridge Gas. This Application should not, for example, afford any intervenor the opportunity to raise fundamental policy issues such as whether Enbridge Gas should be undertaking DSM at all and/or whether during the 2026-2030 term, ratepayer-funded DSM activities should be undertaken by entities other than the Company.

For example, School Energy Coalition explicitly states in its Intervention Request that it is exploring in consultation with other intervenors whether to retain experts in this proceeding to generate expert evidence about “what parts of the proposed plan and/or sectors of the customer base, if any, should be opened up to proposals by program administrators other than the applicant”.¹¹ Another example is the Intervention Request by Energy Probe which states: “If governments want gas customers to stop using gas, they should pay for that from tax revenue, not force other gas customers to pay for it”.¹²

Both of the above matters are clearly out of scope. Enbridge Gas does not view this Application as the appropriate forum to litigate whether DSM is an activity that should be undertaken by it alone or at all and whether it should be funded by ratepayers or the Government of Ontario.

It is noteworthy that the OEB has been directed by the Minister to work with the Independent Electricity System Operator (“IESO”) and Enbridge Gas to deliver a customer-focused one-window platform for energy efficiency programs.¹³ Allowing any party to question the ability of Enbridge Gas to undertake and fund DSM activities runs directly counter to the Minister’s direction. While the OEB may wish to consider such fundamental policy issues in the future, perhaps in a generic hearing, Enbridge Gas requests that the OEB confirm that the Issues List does not include such fundamental policy related topics such as DSM contestability and ratepayer funding.

¹⁰ Exhibit C, Tab 1, Schedule 4, Attachment 1, page 17.

¹¹ School Energy Coalition Intervention Request dated January 15, 2025, page 3.

¹² Energy Probe Intervention Request dated January 15, 2025, page 3.

¹³ Renewed Letter of Direction, page 6.

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Yours truly,

AIRD & BERLIS LLP

A handwritten signature in blue ink, appearing to be "Dennis M. O'Leary", with a stylized, cursive script.

Dennis M. O'Leary

cc: Lawren Murray (OEB Counsel)
Michael Bell (OEB Staff)
Intervenors (EB-2024-0198)