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March 13, 2025

VIA EMAIL

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 reply submissions of Enbridge Gas to the comments made by various intervenors on the draft Issues List which was attached as Schedule B to the Procedural Order.

In this submission Enbridge Gas will first address the various comments by the chronological order of the draft issue. It will then reply to the suggestion of several intervenors to add additional issues.

Draft Issue No. 1: "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?"

Minogi Corp. ("**MC**") and Three Fires Group ("**TFG**") request that the OEB amend the end of this draft issue as: "...including having regard to the economic circumstances of consumers and Indigenous communities?"

Enbridge Gas Reply:

Enbridge Gas is not opposed to the change as proposed by MC and TFG.

Draft Issue No. 2: "Does Enbridge Gas's 2026-2030 DSM Plan adequately respond to previous OEB direction and guidance on future DSM activities (e.g., EB-2021-0002 DSM Decision)?"

Vulnerable Energy Consumers Coalition ("**VECC**") proposes adding the following underlined language to the issue: "Does Enbridge Gas's 2026-2030 DSM Framework and DSM Plan adequately respond to previous OEB direction and guidance on future DSM activities (e.g., EB-2021-0002 DSM Decision)?"

Enbridge Gas Reply:

Enbridge Gas does not believe any change to this issue is required. It is first appropriate to point out that the DSM Framework is not an “Enbridge Gas” document, something that VECC’s proposed wording seems to imply. The OEB’s current DSM Framework is the product of prior OEB proceedings, including EB-2021-0002 at which time the OEB approved a revised DSM Framework¹ and directed that it be used as the basis for Enbridge Gas’s 2026-2030 DSM Plan.²

The OEB in the 2022 DSM Decision specifically directed Enbridge Gas and the DSM Stakeholder Advisory Group (“**SAG**”) to consider certain DSM elements, such as the shareholder incentive, the target adjustment mechanism, input assumptions and electricity avoided costs.³ Such consideration of these elements and any resulting proposals may require updates to the DSM Framework. To address this, the current wording of Draft Issue No. 7 appropriately encompasses such matters.

Draft Issue No. 3: *“Does Enbridge Gas’s 2026-2030 DSM Plan adequately consider and reflect input from the Stakeholder Advisory Group report, the OEB’s Achievable Potential Study, and that provided by parties during stakeholder sessions?”*

MC and TFG request that the OEB add to the end of this draft issue the words: “and the Indigenous Working Group?”

Enbridge Gas Reply:

Enbridge Gas is not opposed to the change as proposed by MC and TFG.

Draft Issue No. 6: *“Is Enbridge Gas’s proposed inclusion of electrification/fuel switching program offerings appropriate?”*

While Environmental Defence (“**ED**”) / Green Energy Coalition (“**GEC**”) do not specifically request an amendment to this issue they question whether it is necessary to separately set out the issue. They take the position that the issue can be removed given their view that the OEB has already decided the matter so definitively in the 2022 DSM Decision.⁴

Enbridge Gas Reply:

It should be recalled that Enbridge Gas in its March 7, 2025 submission on the draft Issues List suggested that the language of this draft issue be amended to read: “Does Enbridge Gas’s DSM Plan appropriately include fuel switching measures/opportunities?”

¹ Application for Multi-Year Natural Gas Demand Site Management Plan (2022 to 2027), EB 2021-0002, OEB Decision and Order Dated November 15, 2022, (the “**2022 DSM Decision**”), Schedule E.

² OEB 2022 DSM Decision, page 16.

³ OEB 2022 DSM Decision, pages 60, 83 and 84.

⁴ ED/GEC Submission on the Draft Issues List, March 7, 2025, page 2.

This change is recommended given that there are no specific electrification/fuel switching program offerings being proposed by Enbridge Gas within its Application. While ED/GEC may have a different view about the extent to which electrification/fuel switching should be undertaken as part of a natural gas DSM plan, the fact that they are very much in favour of greatly expanding electrification/fuel switching should not be seen as denying other parties the ability to take a different position and question the appropriateness of such measures.

It should be noted that there was considerable intervenor interest and differing views regarding fuel switching measures that were raised by parties at the multiple DSM plan consultation meetings held in 2024. To remove the issue gives the impression that such matters are out of scope – this is not appropriate under the circumstances. Enbridge Gas believes that the issue should remain on the Issues List, as proposed by the Company.

Draft Issue No. 7: *“Are Enbridge Gas’s proposed updates to the OEB’s DSM Framework appropriate?”*

ED/GEC propose modifications to the wording of this issue to “clarify that Enbridge is not the only party that may propose updates to the DSM Framework.”⁵ ED/GEC propose that this issue read: “Is the proposed DSM Framework appropriate?” Alternatively, ED/GEC propose that references to the DSM Framework could be re-inserted into Draft Issue Nos. 1 and 2.

Enbridge Gas Reply:

Before turning to the comments of ED/GEC specifically, it is appropriate to note that this Application is not a generic hearing; it is a proceeding where the OEB will review Enbridge Gas’s DSM Plan in light of the existing OEB-approved DSM Framework. This is not a hearing in which the OEB is being asked to entertain fundamental and foundational DSM Framework issues such as, for example, the objectives of DSM or the Company’s role in the delivery of ratepayer-funded DSM programming in the province.

While Enbridge Gas acknowledges that parties may make submissions on the appropriateness of the updates to the DSM Framework that have been proposed in the Application (or the inadequacy of the proposed updates), what ED/GEC’s proposed amendment to the issue appears to suggest is the significant expansion of this proceeding to include fundamental changes to the DSM Framework, changes that could involve a material retooling of the DSM Plan and perhaps a further filing. While it is not possible to predict exactly what ED/GEC may want to propose, Enbridge Gas submits that proposals that go to the DSM Framework’s fundamentals (matters which should be considered in a separate proceeding) should be out of scope. As a result, Enbridge Gas is of the view that no change in wording to Draft Issue No. 7 is required.

Draft Issue No. 8: *“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?”*

⁵ ED/GEC Submission on the Draft Issues List, March 7, 2025, page 1.

VECC proposes that this issue be amended to include the underlined language which follows: “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, including having regard to consumers’ economic circumstances?”

Enbridge Gas Reply:

Enbridge Gas notes that the *Ontario Energy Board Act, 1998* lists, at section 2, the objectives that the OEB is required to be guided by in carrying out its responsibilities. Objective 5 states that one objective is:

5. To promote energy conservation and energy efficiency in accordance with the policies of the Government of Ontario, including having regard to the consumer’s economic circumstances.

While it can be argued that the language proposed by VECC is not necessary in light of the above objective, Enbridge Gas is not opposed to the change as proposed by VECC.

Draft Issue No. 12: “*Has Enbridge Gas proposed an optimal suite of program offerings that will maximize natural gas savings and provide the best value for rate payer funding?*”

Small Business Utility Alliance (“**SBUA**”) proposes amending Draft Issue No. 12 to include the following sub-issue: “*Are Enbridge Gas’s proposed program offerings for small and micro business customers appropriate?*”

Enbridge Gas Reply:

For clarity, Enbridge Gas’s proposed 2026-2030 DSM Plan includes a Commercial Microbusiness Offering within the Commercial Program.⁶ While Enbridge Gas believes that issues relating to small and micro business customers are subsumed in sub-issue 12(d) which relates to commercial customers, if the OEB is of the view that the addition of SBUA’s proposed sub-issue provides further clarity, Enbridge Gas is not opposed to the change as proposed by SBUA.

Draft Issue No. 14: “*Are Enbridge Gas’s proposed changes to the evaluation, measurement and verification of natural gas savings appropriate?*”

Consumers Council of Canada (“**CCC**”) proposes that the issue be amended to read: “*Is the proposed evaluation, measurement and verification (EMV) of natural gas savings appropriate?*” CCC’s justification for this is to “ensure that parties have an opportunity to consider all components of the EMV process, not just the changes proposed by Enbridge Gas”.⁷

Enbridge Gas Reply:

It should be recalled that the EMV process is outlined in the DSM Framework and, in certain important respects, the process is directed and overseen by OEB staff who were charged with

⁶ Exhibit E, Tab 4, Schedule 1, page 20. Also see Exhibit E, Tab 4, Schedule 7.

⁷ CCC Submission on the Draft Issues List, March 7, 2025, page 1.

such responsibilities earlier by the OEB. It appears by the language that CCC proposes for this issue that it seeks to lay open for consideration all aspects of the EMV process, something that Enbridge Gas submits goes substantially beyond the scope of this proceeding. If CCC (or other parties) wish to propose fundamental changes to the EMV process, Enbridge Gas submits that this is a matter appropriate for some future proceeding that is intended to consider such fundamental issues, and not this proceeding. Consistent with this, and as noted in Enbridge Gas's March 7, 2025 submission on the draft Issues List, the SAG confirmed that such matters should be considered in a separate proceeding and not in this Application.⁸

Consistent with Enbridge Gas's comments under Draft Issue No. 7 above, the Company submits that the issues list should not be expanded to include or allow for fundamental DSM Framework issues. This draft issue should not be amended.

Draft Issue No. 17: *"Does Enbridge Gas's proposed 2026-2030 DSM Plan require any changes to be consistent with the direction and guidance regarding Integrated Resource Planning?"*

Pollution Probe ("PP") in its submission states that it understands that this issue "implicitly includes consideration of the efficient and effective coordination of DSM and Integrated Resource Planning (IRP) as intended by the OEB." PP states to avoid confusion, the issue could be modified to: "Does the DSM Plan ensure the efficient and effective coordination between DSM and IRP to ensure costs effective results?"⁹

Enbridge Gas Reply:

This proceeding, of course, is not about IRP, it is about Enbridge Gas's DSM Plan Application. Enbridge Gas is not seeking any orders from the OEB in respect of IRP. If PP is suggesting that this proceeding should allow parties to examine, make submissions on and request orders from the OEB in respect of IRP, which is governed by a separate framework, then Enbridge Gas submits that this is clearly out of scope.

What is relevant in this proceeding is whether the DSM activities proposed in the Application will operate in alignment with existing IRP direction/guidance, but this involves an examination of the proposed DSM activities not the Company's IRP. The draft issue is worded appropriately and should not change.

Draft Issue No. 18: *"Has Enbridge Gas proposed a reasonable approach to ensure natural gas DSM programs are effectively coordinated with electricity conservation programs and other energy conservation and greenhouse gas reduction programs applicable in its service territory?"*

PP submits that: "Although municipalities are implicitly included in Issue 18 as worded, the OEB may wish to explicitly note them as an example (including Ontario municipalities) in Issue 18."¹⁰

⁸ Enbridge Gas Submission on the Draft Issue List, March 7, 2025, page 5.

⁹ PP Submission on the Draft Issues List, March 7, 2025, page 1.

¹⁰ PP Submission on the Draft Issues List, March 7, 2025, page 2.

Enbridge Gas Reply:

Draft Issue No. 18 refers to “electricity conservation programs and other energy conservation and greenhouse gas reduction programs applicable in its service territory” (emphasis added). Enbridge Gas confirms that this would include Ontario municipalities within its service territory. There is no need to amend this draft issue.

Additional Issues

Several parties have proposed that the draft Issues List be expanded to include additional issues. Enbridge Gas responds to these submissions below.

LIEN Submission

LIEN proposes adding three issues to the Issues List unless they “are already subsumed within the existing Issues List”.¹¹ Enbridge Gas deals with each of the three separately.

1. LIEN proposes that the issues list be expanded to include: “What is the status and what are the objectives and next steps regarding the ongoing collaboration between IESO and Enbridge on low-income, residential and other DSM programs?”

Enbridge Gas Reply:

Enbridge Gas confirms that the status of its dealing with the IESO are subsumed in Draft Issue No. 12 and the applicable sub-issues which deal with the program offerings directed at the various rate groups. There is no need to add this as a separate issue. A question along these lines can be asked as an interrogatory.

2. LIEN proposes that the issues list be expanded to include: “What is EGI's plan for stakeholder engagement on DSM plan implementation post OEB approval of a DSM plan?”

Enbridge Gas Reply:

Enbridge Gas submits that this issue is simply an interrogatory that LIEN could ask under Draft Issue No. 19. There is no need to make this a separate issue.

3. LIEN proposes that the issues list be expanded to include: “In light of the ongoing trade/tariff disputes between Canada and the United States and the likely natural gas price increase (given Ontario's reliance on natural gas from US shale sources), how will EGI address the tariff impacts on the proposed plan, including on the plan's budget, targets and programming?”

Enbridge Gas Reply:

Enbridge Gas similarly submits that this proposed issue is simply an interrogatory that it expects may be asked under several of the existing issues. There is no need to make this a separate issue.

¹¹ LIEN/VECC Submission on the Draft Issues List, March 7, 2025, page 1.

PP Submission

At page 1 of its submission, PP expresses its view that the draft Issues List only provides a relevant list of directional issues to assist the OEB and parties to the proceeding and that each issue should enable the appropriate flexibility to cover the relevant scope related to the issue. PP specifically states that “the Draft Issues List wording is not meant to intentionally restrict the appropriate scope related to each issue listed”.

Enbridge Gas Reply:

While it is not clear what PP means by this precisely, if it is taking the position that parties have an unfettered right to raise any and all matters, such a position should be rejected. One of the purposes of undertaking this exercise for the OEB to approve an Issues List is to set reasonable and appropriate parameters to a proceeding.

Rule 28.02 of the OEB’s *Rules of Practice and Procedure* provides that an issues list is intended to assist parties and the OEB in identifying issues that may be in scope for a specific proceeding. Multi-year DSM plan applications are proceedings where it is critical to have in place an Issues List that appropriately limits the scope of issues to those which should be considered in the context of the Application that has been filed. Enbridge Gas submits that this proceeding is not the appropriate forum to entertain proposals that go well beyond the 2026-2030 DSM Plan that has been proposed.

SEC Submission

School Energy Coalition (“**SEC**”) has proposed that the following additional issue be added to the Issues List: “Should the OEB continue to sole source DSM programs through Enbridge Gas Inc., or should some or all of the DSM offerings be designed and/or delivered by one or more other program administrators? If the latter, what process should be used to identify and procure the services of those new participants?”¹²

Enbridge Gas Reply:

As Enbridge Gas noted in its March 7, 2025 submission on the draft Issues List, this proceeding is not the time to ask questions that are more appropriately dealt with in a separate proceeding.¹³ As noted by SEC in its submission, it has raised the concept of DSM contestability on a number of occasions in the past including its final argument in the EB-2021-0002 proceeding. SEC notes that the OEB did not address contestability in its decision in that proceeding. Enbridge Gas notes that the OEB also did not direct the SAG to consider DSM contestability.

SEC attached to its submission a copy of its October 4, 2023 letter to the OEB which it filed under docket EB-2021-0002 subsequent to the 2022 DSM Decision and which was undoubtedly written because of the OEB’s decision to not consider DSM contestability earlier. In this letter, SEC asked the OEB to “explore whether the next DSM plan can be made contestable, in whole or in part”. SEC noted in this letter that Enbridge Gas would be filing a new DSM Plan application

¹² SEC Submission on the Draft Issues List, March 7, 2025, page 1.

¹³ Enbridge Gas Submission on the Draft Issue List, March 7, 2025, pages 5 and 6.

within the next twelve months and that: "It is important that the OEB not, at that time, be in the same situation of having no choice but to once more sole source DSM to Enbridge."¹⁴

Enbridge Gas further notes that on October 20, 2023 the OEB issued a letter, also under docket EB-2021-0002, acknowledging receipt of SEC's October 4, 2023 letter. The OEB subsequently provided no further response, has not required any party to change course nor has it directed any party to consider the impact of DSM contestability on all or any portion of Enbridge Gas's DSM program offerings. Instead, the OEB has allowed its direction from the 2022 DSM Decision to stand requiring Enbridge Gas to file its Application in accordance with the DSM Framework.¹⁵

As noted in the submission of Enbridge Gas of March 7, 2025 on the draft Issues List, entertaining DSM contestability would run contrary to the Minister of Energy and Electrification's ("**Minister**") Renewed Letter of Direction to the OEB dated December 19, 2024.¹⁶ To be clear, the Minister has not directed the OEB to engage a third party DSM delivery agent other than Enbridge Gas, rather it has required the OEB to support the collaboration of Enbridge Gas with the IESO.

Consistent with Enbridge Gas's comments under Draft Issue Nos. 7 and 14 above and the Company's March 7, 2025 submission, Enbridge Gas submits that the Issues List should not be expanded to include what amounts to fundamental policy issues such as DSM contestability and that this draft issue should not be added.

Yours truly,

AIRD & BERLIS LLP



Dennis M. O'Leary

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

¹⁴ EB-2021-0003, SEC letter to OEB, October 4, 2023, page 4.

¹⁵ OEB 2022 DSM Decision, page 16.

¹⁶ Enbridge Gas Submission on the Draft Issues List, March 7, 2025, page 5; and, the Minister's Renewed Letter of Direction, page 2. Also see the Minister's Letter of Direction to the OEB dated November 29, 2023, page 6.