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Enbridge Gas Inc.
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VIA EMAIL and RESS

March 20, 2025

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

Dear Nancy Marconi:

**Re: Enbridge Gas Inc. (“Enbridge Gas” or the “Company”)
Ontario Energy Board (“OEB”) File No. EB-2024-0198
2026-2030 Demand Side Management (“DSM”) Plan Application
Request for Abeyance**

This letter is to advise that, as a result of the upcoming change to the Federal Carbon Charge,¹ Enbridge Gas does not believe it would be prudent to proceed with the interrogatory phase of the above-noted proceeding on March 27, 2025, in accordance with Procedural Order No. 1. Enbridge Gas requests that the OEB place the Application in abeyance until no later than May 30, 2025, for the reasons set out below.

Background

On November 29, 2024, Enbridge Gas filed its 2026-2030 DSM Plan Application under EB-2024-0198 (the “DSM Plan” or the “Application”). At the time, Enbridge Gas acknowledged the uncertainty associated with the Federal Carbon Charge continuing as planned until 2030 and the potential impact a change may have on the Application:

Enbridge Gas recognizes the political and public policy risk associated with the Federal Carbon Charge continuing as planned until 2030. Any changes to the Federal Carbon Charge could materially impact the design and delivery of Enbridge Gas’s 2026-2030 DSM Plan and the ability for the Company to achieve the proposed targets. Given the uncertainties associated with the Federal Carbon Charge (for example, whether changes will occur, the timing of any changes, and the scope of alternative policies that

¹ By an Order in Council dated March 15, 2025 (PC#2025-0446), Schedule 2 to the Greenhouse Gas Pollution Pricing Act and the Fuel Charge Regulations were amended to set applicable fuel charge rates for all types of fuel to zero after March 31, 2025. Please see <https://canadagazette.gc.ca/rp-pr/p2/2025/2025-03-15-x2/pdf/q2-159x2.pdf>

could replace it) it is premature for Enbridge Gas to speculate how its proposed 2026-2030 DSM Plan could be impacted. If information becomes known regarding changes to the Federal Carbon Charge, Enbridge Gas will assess the information at that time to determine whether they result in a material impact to the Company's 2026-2030 DSM Plan and will notify the OEB whether any subsequent action is required.²

On March 15, 2025, the Government of Canada announced that it will be setting the fuel charge under the *Greenhouse Gas Pollution Pricing Act* and regulations to zero (effectively removing the Federal Carbon Charge) as of April 1, 2025.³

Abeyance Request

Due to the upcoming change to the Federal Carbon Charge, Enbridge Gas believes it will need to make material updates to certain components of the Application's evidence. Enbridge Gas is in the process of assessing the upcoming change and its impact to the pre-filed evidence that is currently before the OEB. Consistent with Subsection 11.02 of the OEB's *Rules of Practice and Procedure*, Enbridge Gas believes there will likely be a need to file amendments to the Application's evidence in advance of the interrogatory phase of the proceeding.

For example, the 2026 avoided costs⁴ that Enbridge Gas used to develop the DSM Plan requires updates to reflect the removal of the Federal Carbon Charge. These updates will impact the Application's cost-effectiveness forecasts (i.e., Total Resource Cost-Plus forecasts)⁵ and, depending on the magnitude of the changes, could require adjustments to the design and delivery of the DSM Plan's programs.⁶ Additionally, the removal of the Federal Carbon Charge will reduce the price consumers pay for natural gas and will impact consumer decision-making with respect to the uptake of DSM measures, which could require adjustments to the design and delivery of the DSM Plan's programs⁷ and to the DSM Plan's natural gas savings targets⁸ and/or budgets.⁹

Enbridge Gas requests that the OEB place the Application in abeyance until no later than May 30, 2025. Enbridge Gas expects that this will provide the Company with the time needed to assess the impact that the removal of the Federal Carbon Charge has to the Application, and to prepare and file the necessary updated evidence. Enbridge Gas will make best efforts to file the updated evidence earlier than May 30, 2025, and will notify the OEB and parties at least one week prior to the expected filing date. Alternatively, if Enbridge Gas determines that additional time is needed, the Company will advise the OEB and parties at the earliest opportunity.

² Exhibit C, Tab 1, Schedule 2, para. 7.

³ <https://canadagazette.gc.ca/rp-pr/p2/2025/2025-03-15-x2/pdf/g2-159x2.pdf>

⁴ Exhibit D, Tab 9, Schedule 1, Attachment 3, p. 2.

⁵ Exhibit D, Tab 3, Schedule 1, pp. 2-6.

⁶ Exhibit E.

⁷ Exhibit E.

⁸ Exhibit D, Tab 2, Schedule 1, pp. 6-10.

⁹ Exhibit D, Tab 2, Schedule 2, pp. 9-13.

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If you have any questions, please contact the undersigned.

Sincerely,

Haris Ginis

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cc: Dennis O'Leary (Aird & Berlis, Enbridge Gas Counsel)
Lawren Murray (OEB Counsel)
Michael Bell (OEB Staff)
Intervenors (EB-2024-0198)