

April 15, 2025

BY EMAIL AND FILED VIA 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")
EB-2022-0335 – IRP Pilot Project Application
EB-2025-0124 – Review Motion of IRP Pilot Project Decision
Enbridge Gas Request Re: Scope of Review Motion**

We represent Enbridge Gas.

On March 27, 2025, the OEB issued its Decision and Order in the IRP Pilot Project Application (the "Decision"). The Decision approved the IRP Pilot Project, with some amendments and conditions as compared to what was proposed.

On the same date, the OEB issued a Notice of Review on the OEB's Own Motion, to review the Decision. The OEB's Notice of Review set out three questions that the OEB will consider.

Additionally, on March 27, 2025 the OEB issued a letter indicating that it is launching a consultation to support a review and evaluation of the IRP Framework for Enbridge Gas that was established in EB-2020-0091. The consultation will consider a number of stated items, and will proceed in the Fall of 2025 after the issuance of an upcoming OEB staff report assessing progress implementing the IRP Framework and proposing updates to the IRP Framework.

With that context, we write to request clarification and potential expansion of the scope of the pending Review Motion. We also request that the OEB order a stay or suspension of the aspects of the Decision that are under review.

Scope of the Review Motion

Enbridge Gas supports the questions noted by the OEB in the Notice of Review, and intends to actively participate in the process. There are, however, a few related items that Enbridge Gas wishes to confirm as being included within the OEB's Notice of Review.

1. A central part of the Decision is the observation that "*... it is now clear that electric solutions are squarely on the table, as part of the IRP Framework*". That observation appears to say that the IRP Framework is amended, effective now. Enbridge Gas agrees with Review Motion question #1 in the OEB's Notice of Review that there is an appropriate review issue about whether the Decision improperly changes

the IRP Framework. However, the Company wishes to confirm that the scope of question #1 will allow parties to raise all items within the Decision that appear to amend or expand the IRP Framework and/or the DSM Framework. Examples of other items within the Decision that appear to expand the IRP Framework and/or the DSM Framework are the assertions that “*DSM has always been part of the IRP Framework, and now electric solutions are part of DSM*” and “[t]he inclusion of incentives for gas equipment is entirely inconsistent with the purpose of [IRP and DSM]”. Enbridge Gas will submit that the statements in the above sentence amount to expansions or changes to the IRP Framework established in EB-2020-0091 and the DSM Framework established in EB-2021-0002. The Company is also concerned that leaving these statements from the Decision unexamined may lead to parties improperly conflating IRP and DSM as part of the current EB-2024-0198 DSM Plan Application. As was highlighted in the IRP Framework Decision, “[t]he purposes of DSM and IRP are distinct from each other ... DSM is aimed at reducing annual natural gas usage, and IRP is aimed at reducing peak demand in specific geographic areas to replace infrastructure investment with an IRPA investment...” (EB-2020-0091, page 56).

Relatedly, Enbridge Gas wishes to ensure that it is permitted to raise its concerns about the inconsistency between Ontario Government policy and the findings in the Decision about the need to avoid any incentives for natural gas equipment, even where the goal is to reduce natural gas consumption. OEB decisions must take account of and implement Ontario Government policy, rather than conflicting with such policy. Ontario Government policy champions the importance of customer choice in meeting energy needs. Ontario Government policy supports an “all-energy” or “all of the above” approach to planning and meeting the Province’s energy needs, including electricity, natural gas, hydrogen and other fuels.¹ The findings within the Decision that natural gas technologies cannot be supported, and that electrification must prevail, are at odds with those public policy imperatives. These findings lessen customer choice, and are not in keeping with an “all of the above” approach to meeting the Province’s energy needs.

Further, Enbridge Gas wishes to confirm that it is within scope of the Review Motion to assert that any consideration of changes to the IRP Framework is appropriately considered in the IRP Framework consultation (EB-2025-0125) and not in this IRP Pilot Project Application.

2. The Decision relies upon a November 2022 decision on the 2023-2025 DSM Plan Application (EB-2021-0002) for the finding that natural gas heat pumps are not as cost effective as electric heat pumps. Circumstances have changed since that time (including changes to natural gas and electricity costs, and the Government of Canada’s decision to set the fuel charge under the *Greenhouse Gas Pollution Pricing Act* to zero, effective April 1, 2025, which was announced before the Decision was released). Furthermore, cost-effectiveness analyses under the DSM Framework are not applicable to IRP and the question of relative cost-effectiveness of natural gas and electric heat pumps was not canvassed in detail in the current IRP Pilot Project Application. Enbridge

¹ [Ontario’s Affordable Energy Future: The Pressing Case for More Power | ontario.ca](https://www.ontario.ca/govt/ontarios-affordable-energy-future-the-pressing-case-for-more-power), under the headings “Priorities for Natural Gas” and “Integrated energy resource planning”.

Gas therefore wishes to confirm that the scope of the OEB's Review Motion question #3 allows parties to raise the question of whether the OEB had and reviewed sufficient current evidence to support the finding in the Decision about the relative cost effectiveness of heat pumps. Stated, differently, we want to confirm that the OEB's Review Motion question #3 is not limited solely to whether the OEB adequately considered the potential cost of electricity system upgrades in determining that natural gas heat pumps are not cost effective.

Enbridge Gas requests that the OEB confirm that the matters described above are in scope for the Review Motion. Alternately, Enbridge Gas requests that the OEB expand the scope of the Review Motion questions stated in the Notice of Review to include all such matters. Enbridge Gas submits that this approach is more efficient than the Company bringing its own similar, but not identical, review motion.

Stay Requests

Enbridge Gas wishes to promptly move forward with implementation of the main portions of the IRP Pilot Project, but does not believe that it is appropriate to include the aspects of the proposal that are subject to the Review Motion. With that in mind, Enbridge Gas requests the OEB's confirmation and direction that those aspects of the Decision that are under review are stayed or suspended pending the outcome of the Review Motion. Specifically, Enbridge Gas requests that the OEB indicate, as permitted under Rule 41, that the following aspects of the Decision are stayed or suspended:

1. The direction to reallocate the IRP Pilot Project budget related to natural gas-based technologies to the expansion of electric solutions, and related engagement and reporting. To be clear, Enbridge Gas does not intend to proceed with the natural gas-based technologies aspects of the IRP Pilot Project (including thermal energy storage) without further direction, but the Company also does not wish to reallocate the funds before the Review Motion is determined.
2. Any aspect of the Decision that purports to amend the IRP Framework and/or the DSM Framework. Any purported change to the IRP Framework and/or the DSM Framework should be stayed or suspended pending the outcome of the Review Motion and/or the OEB's consultation to support a review and evaluation of the IRP Framework for Enbridge Gas (EB-2025-0125).

Additionally, Enbridge Gas is concerned with the directives in the Decision about developing and presenting another IRP pilot project, given the fact that the OEB is convening its consultation to review and evaluate and potentially change the IRP Framework. Enbridge Gas submits that there is significant risk of wasted or misguided effort in developing and presenting a second IRP pilot project before the guidance from the IRP Framework review is received. This also risks wasted costs for the Company and its customers. The guidance to be provided by the OEB may substantially change the scope, aims, expectations and requirements of IRP. With that context, Enbridge Gas requests that the OEB stay the portion of the Decision that directs Enbridge Gas to analyze and develop potential additional IRP pilot projects and consult with the IRP Technical Working Group on such potential opportunities.

Review Panel

As a final matter, Enbridge Gas requests that the panel that the OEB establishes to consider the Review Motion be comprised entirely of Commissioners who were not part of the panel that issued the Decision. The issuance of a Review Motion on the OEB's own motion, immediately revisiting and questioning an OEB decision even before the parties have had the opportunity to react is a very rare circumstance. This signals doubt as to the fairness and appropriateness of the approach taken by the participating Commissioners.

The Decision includes what appears to be gratuitous comments and criticisms that fall outside of the scope of the case. This includes the statement that IRP has not resulted in any tangible benefits since the IRP Framework was established.² It also includes the insertion within the Decision of a lengthy quote from the first St Laurent LTC Decision where the OEB took issue with the degree of IRP investigation that had been done in advance of that 2020/2021 proposal.³ The Decision further includes discussion of the Commissioners' views about the scope of the future system pruning pilot project that was agreed upon in a different case.⁴ None of these items were included in the Issues List that the OEB approved to define the scope of the case. They were not items that were dealt with in any detail in the written submissions from Enbridge Gas or any other parties.

In these circumstances, it is appropriate that new decision-makers consider the Review Motion. The IRP Pilot Project Application proceeding subject to review was conducted in writing, so new Commissioners will not be disadvantaged. Enbridge Gas submits that there is precedent for having an entirely new panel of Commissioners determine a review motion, as seen in the ongoing review of the Enbridge Gas Phase 1 Rebasing Decision (EB-2024-0078).

Should the OEB require a formal motion in relation to any of the items and requests set out in this letter, please advise.

Yours truly,

AIRD & BERLIS LLP



David Stevens

c: all parties in EB-2022-0335

² "All things considered, there have been no natural gas savings, no gas infrastructure avoided, reduced, or delayed, and no customer bill reductions or ratepayer money saved from IRP initiatives." – Decision, page 9.

³ Decision, pages 9-10.

⁴ Decision, page 10.