



Haris Ginis
Technical Manager
Regulatory Applications
Regulatory Affairs

tel 416 495 5827
cell 416 319 8684
haris.ginis@enbridge.com
EGRegulatoryProceedings@enbridge.com

Enbridge Gas Inc.
500 Consumers Road
North York, Ontario
M2J 1P8

VIA EMAIL and RESS

May 2, 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 Plan Application (“Application”)
Abeyance Request – Status Update**

Pursuant to the OEB’s Decision on Issues List and Procedural Order No. 2 dated April 10, 2025, Enbridge Gas is providing the following status update regarding the Company’s abeyance request and its preparation of evidence updates.

As a result of: (i) the Government of Canada’s decision to set the federal carbon charge (“FCC”) under the *Greenhouse Gas Pollution Pricing Act* to zero effective April 1, 2025; (ii) the impact the change has on Enbridge Gas’s Application that is currently before the OEB; (iii) the time needed for Enbridge Gas to comprehensively assess the change and to prepare/file the necessary evidence updates; and (iv) the procedural time needed for the OEB to issue a decision for the Application, Enbridge Gas does not believe the OEB will be in a position to issue a decision on the Application until at least Q1 2026.

To ensure DSM program continuity in the later part of 2025 and into 2026, Enbridge Gas believes it will be necessary to request that the OEB roll forward the approved 2023-2025 DSM Plan to the 2026 program year. Enbridge Gas expects it will file the 2026 rollover application no later than May 30, 2025, and the Company believes the OEB could issue a rollover decision for 2026 DSM activities before September 30, 2025. If Enbridge Gas determines that additional time is needed to file the 2026 rollover application, the Company will advise the OEB and parties at the earliest opportunity. Enbridge Gas anticipates that it would file an updated DSM plan for the 2027 program year and beyond at a later date in 2025.

Background

On November 29, 2024, Enbridge Gas filed its 2026-2030 DSM Plan Application in the above-noted proceeding.

On March 5, 2025, the OEB issued Procedural Order No. 1 which, among other things, set out the initial procedural steps for the Application which included timelines for interrogatories, expert evidence, a technical conference, and a settlement conference. The OEB also set out its expectation that a hybrid oral hearing would take place in late July to early August and that final arguments from parties would be expected for late August to early September.¹

On March 15, 2025, the Government of Canada announced that it will be setting the FCC to zero (effectively removing the FCC) as of April 1, 2025.²

On March 20, 2025, Enbridge Gas filed a letter requesting that the OEB place the Application in abeyance until no later than May 30, 2025 to provide the Company with the time needed to assess the impact that the removal of the FCC has on the Application, and to prepare and file any necessary updated evidence. Alternatively, if Enbridge Gas determined that additional time is needed, the Company noted that it will advise the OEB and parties at the earliest opportunity.

On March 24, 2025, the OEB issued a letter accepting Enbridge Gas's request and placed the Application into abeyance. The OEB also suspended all procedural steps set out in Procedural Order No. 1.

On April 10, 2025, the OEB issued its Decision on Issues List and Procedural Order No. 2 which, among other things, ordered Enbridge Gas to provide a progress report on the preparation of its evidence update by May 2, 2025.

Status Update

Within Enbridge Gas's Application filed on November 29, 2024, the Company noted that its current OEB-approved DSM plan ends on December 31, 2025. As a result, in order for Enbridge Gas to maintain DSM program continuity on January 1, 2026 and into the 2026 program year, the Company requested final approval from the OEB for the Application by September 30, 2025.³

Enbridge Gas recognized within its Application filed November 29, 2024 that there was a real political and public policy risk associated with the FCC continuing as planned until 2030 and noted the potential impact a change may have on the Application. Given the uncertainties associated with a potential change to the FCC (for example, whether

¹ OEB Procedural Order No. 1, March 4, 2025, pp. 9-12.

² <https://canadagazette.gc.ca/rp-pr/p2/2025/2025-03-15-x2/pdf/g2-159x2.pdf>

³ Exhibit A, Tab 2, Schedule 1, para. 5.

changes will occur, the timing of any changes, and the scope of alternative policies that could replace it) the Company stated that it could not speculate how its Application could be impacted.⁴

The Government of Canada's decision to set the FCC to zero (announced 3 ½ months after Enbridge Gas filed its Application), and the corresponding need for the Company to update its Application that is currently before the OEB, was well beyond the Company's control. Notwithstanding the reasons for the current circumstance, Enbridge Gas does not believe the OEB will be in a position to issue a decision on the Application before September 30, 2025. Specifically, the procedural timelines set out in Procedural Order No. 1 included 5 ½ months from the filing of interrogatories on Enbridge Gas's evidence (March 27, 2025)⁵ to the date the OEB expected that final arguments from parties could be filed (early September 2025).⁶ Assuming the filing of an updated multi-year DSM Plan Application by May 30, 2025, a 5 ½ month timeline would result in the filing of Enbridge Gas's final argument in late November 2025. Taking into consideration the OEB's holiday timeout period,⁷ a final OEB decision on the Application (inclusive of 2026 DSM activities) would likely be issued some time in Q1 2026, up to 6 months later than Enbridge Gas's requested date of September 30, 2025.

If a decision on 2026 DSM activities is not issued by September 30, 2025, Enbridge Gas will be required to make difficult decisions with respect to the implementation of its DSM programs in the later part of 2025 and into 2026. This could involve suspending DSM programs and spending, including for programming that is jointly delivered with the Independent Electricity System Operator ("IESO"). Enbridge Gas submits that this outcome would not be in the public interest. It is important to note that the ramping-down/ramping-up of DSM programming is not something that can be done instantaneously and without additional costs and negative impacts to DSM program results, customers, and industry partners.

As a result, Enbridge Gas believes it will be necessary to request that the OEB roll forward the approved 2023-2025 DSM Plan to the 2026 program year. Enbridge Gas expects it will file the 2026 rollover application no later than May 30, 2025, and the Company believes the OEB could issue a rollover decision for 2026 DSM activities before September 30, 2025. If Enbridge Gas determines that additional time is needed to file the 2026 application, the Company will advise the OEB and parties at the earliest opportunity. Enbridge Gas anticipates that it would file an updated DSM plan for the 2027 program year and beyond at a later date in 2025.

⁴ Exhibit C, Tab 2, Schedule 2, para. 7.

⁵ OEB Procedural Order No. 1, March 4, 2025, p. 11.

⁶ OEB Procedural Order No. 1, March 4, 2025, p. 10.

⁷ OEB Letter, 2025-2026 Fiscal Year Holiday Timeout Period, April 14, 2025: "The Ontario Energy Board (OEB) holiday timeout period for the 2025-2026 fiscal year will be from December 20, 2025, to January 4, 2026, inclusive, which coincides with the Ontario Ministry of Education's public school winter break."

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If you have any questions, please contact the undersigned.

Sincerely,

Haris Ginis

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Technical Manager, Regulatory Applications

cc: Dennis O'Leary (Aird & Berlis LLP, Enbridge Gas Counsel)

Lawren Murray (OEB Counsel)

Michael Bell (OEB Staff)

Intervenors (EB-2024-0198)