

Enbridge Gas Inc.

**Application for Multi-Year Natural Gas Demand Side  
Management Plan (2026-2030)**

**PROCEDURAL ORDER NO. 4  
July 3, 2025**

Enbridge Gas Inc. (Enbridge Gas) filed a multi-year natural gas demand side management (DSM) plan application with the Ontario Energy Board (OEB) on November 29, 2024 under section 36(1) of the *Ontario Energy Board Act, 1998*, seeking approval for a new natural gas DSM policy framework effective January 1, 2026 and approval of a new multi-year DSM plan, inclusive of budgets, programs and targets, from January 1, 2026 to December 31, 2030.

On March 20, 2025, Enbridge Gas filed a [letter](#) with the OEB requesting that the OEB place the application in abeyance. This request was for the preparation of updated evidence in response to the Government of Canada's decision to set the federal carbon charge under the *Greenhouse Gas Pollution Act* to zero effective April 1, 2025. Enbridge Gas proposed to file the updates no later than May 30, 2025. The OEB granted the request by [letter](#) dated March 24, 2025.

As part of the OEB's [Decision on Issues List and Procedural Order No. 2](#) issued on April 10, 2025, the OEB provided direction to Enbridge Gas on its abeyance request, including a requirement that Enbridge Gas report on its preparation of the updates by May 2, 2025.

Enbridge Gas filed a [letter](#) on May 2, 2025. Enbridge Gas indicated it would file an update by May 30, 2025, requesting that the OEB roll forward the approved 2023-2025 DSM Plan to the 2026 program year. Enbridge Gas indicated that it would also seek a decision on its 2026 DSM activities by September 30, 2025 to avoid any program disruptions.

On May 13, 2025, the OEB issued [Procedural Order No. 3](#) which, among other things, directed Enbridge Gas to file additional evidence relating to its DSM plan for 2026. On May 23, 2025, Enbridge Gas filed a [letter](#) with the OEB requesting an extension to file its evidence update from May 30, 2025 to June 20, 2025. Enbridge Gas indicated that it required more time to provide the additional evidence required by the OEB.

On May 28, 2025, the OEB issued a [letter](#) and accepted Enbridge Gas's request for an extension to June 20, 2025.

On June 20, 2025, Enbridge Gas filed updated evidence for its [2026 DSM Plan](#).

### **Request to roll over approved 2023-2025 programs into 2026**

Enbridge Gas requested approval of its 2026 DSM Plan, which reflects a one-year extension of the OEB-approved 2023 to 2025 DSM Plan,<sup>1</sup> including:

- a) Approval to continue the 2023 to 2025 DSM programs for 2026 including the Residential Program, the Low Income Program, the Commercial Program, the Industrial Program, the Large Volume Program, the Energy Performance Program, and the Building Beyond Code Program
- b) Approval of the DSM budget of \$199,797,689 for 2026, to include the budget into rates for 2026, and to continue to use the Deferred Participant Costs mechanism for 2026 for the Whole Building Pay for Performance Offering, the Residential Savings by Design Offering, and the Affordable Housing Savings by Design Offering
- c) Approval of the DSM scorecards for 2026 and of the DSM shareholder incentive mechanism and amounts for 2026

Enbridge Gas indicated it does not request any modifications to the existing DSM Framework.

Enbridge Gas positioned its request as an orderly transition to the next multi-year DSM plan for 2027 and beyond, while maintaining the momentum of current energy conservation efforts, including collaborative residential and low-income offers currently delivered in partnership with the IESO.

Enbridge Gas has proposed that the same programs and underlying offerings previously approved by the OEB continue for 2026. Although Enbridge Gas has not proposed any changes to the programs or offerings, it has acknowledged that it has continued to evolve its DSM programs and offerings based on lessons learned, in consideration of evaluation results, in response to market conditions, to balance cost-effectiveness, and to pursue collaboration opportunities with the IESO and other parties.

Enbridge Gas indicated that the overall DSM portfolio for 2025 is forecast to be cost-effective, with a benefit-cost ratio, as measured through the Total Resource Cost-Plus (TRC-Plus) test, of greater than 1.0. As the 2025 programs and offerings are proposed

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<sup>1</sup> [EB-2021-0002, Decision and Order, November 21, 2022](#)

to be continued, Enbridge Gas indicated that forecast 2025 TRC-Plus test ratios can be used as a proxy value for 2026.

Although the portfolio is forecast to be cost-effective as a whole, Enbridge Gas expects the 2025 Residential Program to result in a TRC-Plus test ratio of less than 1.0.

Enbridge Gas provided two 2025 forecasts:

- inclusive of all anticipated program participants, including those that enrolled through the joint program delivered by Enbridge Gas on behalf of Natural Resources Canada, a benefit-cost ratio of 0.62; and,
- without participants in the joint Natural Resources Canada program, with a benefit-cost ratio of 0.75.

Despite the Residential Program's low benefit-cost results, Enbridge Gas proposes to maintain the program in 2026, which includes the Whole Home offering (TRC-Plus 0.61), Single Measure offering (TRC-Plus 0.66) and Smart Home offering (TRC-Plus 1.80). Enbridge Gas provided several reasons for why it is reasonable to continue with the Residential Program even though the forecast TRC-Plus ratio for the Residential Program is below 1.0, including consistency with policy direction in the DSM Framework, consistency with prior OEB approvals, and its expectation that 2026 cost-effectiveness will improve due to modifications to incentives for certain measures that it expects will alter participation relative to prior recent program years and lead to cost-effective improvements.

### **Correspondence from Environmental Defence Canada and the Green Energy Coalition**

On June 19, 2025, Environmental Defence Canada and the Green Energy Coalition (GEC) filed a letter requesting that the OEB develop the next procedural order to allow adjudication on whether the new multi-year DSM plan would start in 2027, as proposed by Enbridge Gas Inc., or mid-way through 2026 as proposed by Environmental Defence and GEC.

Environmental Defence and GEC suggested that, while some rollover into 2026 may be necessary, the rollover period should be as short as possible to allow for greater bill savings, consistency with prior OEB direction, and increased OEB oversight, particularly in relation to the residential program. Environmental Defence and GEC noted that the benefits outweigh any likely administrative challenges with beginning a new plan part way through 2026.

On June 27, 2025, Enbridge Gas filed a response opposing Environmental Defence and GEC's suggested approach. Enbridge Gas outlined several administrative and practical difficulties that it says will arise from beginning its next multi-year plan part way through

2026. These include material timing concerns, practical challenges related to budget, targets and scorecards development, including approvals, program delivery and evaluation requirements for a partial year. Enbridge Gas stressed that a partial year approval would result in increased regulatory burden and costs, decreased regulatory efficiency, and likely result in further delays.

### **2026 rollover request**

The OEB has a primary objective of ensuring that the rates it approves are just and reasonable. Enbridge Gas has requested approval of approximately \$200 million in ratepayer funding for the continuation of DSM programs in 2026. More than 40% of the total 2026 budget is proposed for the Residential Program which, as proposed, will result in more costs than benefits. Although the Residential Program and offerings Enbridge Gas proposes to continue are largely consistent with those approved by the OEB for 2023 to 2025, the circumstances now are different than they were when the OEB approved the Residential Program in November 2022. Two central variables have changed: the closure of the joint residential whole home program with Natural Resources Canada and the removal of the federal carbon charge. Enbridge Gas has noted the material impact these changes have had on cost-effectiveness. For these reasons, the OEB has set out procedural steps below that will allow parties to seek additional information specifically related to the Residential Program before making submissions.

To allow for the most efficient process, the OEB directs Enbridge Gas to file detailed forecast 2026 cost-effectiveness information, including forecast TRC-Plus calculations and input values, including avoided costs, anticipated participation and measure mix, and any other relevant information that explains the low TRC-Plus ratio and how this value can be increased to ensure benefits outweigh costs. If Enbridge Gas cannot provide this information in a timely manner, it should notify the OEB immediately so an alternative process can be established.

Should any intervenor or OEB staff seek to file evidence related to Enbridge Gas's request for approval of a one-year rollover of its Residential Program, that request is to be made in accordance with Rule(s) 13/13A of the OEB *Rules of Practice and Procedure* by the date set out below. This evidence could potentially include, for example, evidence regarding the appropriateness of the assumptions used by Enbridge Gas to calculate cost-effectiveness values for the Residential Program. Given the one-year scope of the rollover, the OEB does not intend to explore entirely new residential programs or offerings not proposed in the rollover request. The OEB also does not anticipate the need for further evidence to be filed with respect to all other aspects of Enbridge Gas's 2026 DSM plan rollover request beyond the Residential Program.

Additionally, given timing challenges posed by adjudicating the 2026 DSM Plan, the OEB is forgoing written interrogatories and instead will hold a transcribed technical conference to allow for parties to explore and pose questions to Enbridge Gas on its 2026 DSM Plan. The scope of the technical conference is limited to the Residential Program.

The OEB appreciates that some parties may have views regarding other aspects of Enbridge Gas's DSM plan beyond the Residential Program. These can be addressed as part of written submissions, along with any items related to the Residential Program.

### **Issues List**

Enbridge Gas indicated that, given the limited scope and nature of this 2026 DSM Plan Application, it does not believe it is necessary for the OEB to establish a specific issues list for this Application. The primary issue at this stage is the appropriateness of the requested rollover with emphasis on the Residential Program.

Enbridge Gas also submitted that the issues list that was established for the 2026-2030 DSM Plan application should be carried forward for consideration as part of the upcoming 2027+ DSM Plan application.

The OEB will determine the appropriate path forward regarding the issues list related to the 2027+ DSM Plan following the adjudication of the 2026 DSM Plan.

### **2027 Plus DSM Application**

Enbridge Gas stated that it intends to file a comprehensive multi-year DSM Plan for the 2027 DSM program year and beyond in Q4 2025.

The OEB appreciates that Enbridge Gas has provided suggested timelines for a 2027+ multi-year DSM Plan. The OEB will provide further direction following the completion of its adjudication of the 2026 DSM Plan.

### **Abeyance Period**

As noted above, the proceeding was placed into abeyance by the OEB on March 24, 2025. With the issuance of this Procedural Order, the proceeding will be taken out of abeyance.

The OEB is making provision for the following related to this proceeding. Further procedural orders may be issued by the OEB.

**THE ONTARIO ENERGY BOARD ORDERS THAT:**

1. Enbridge Gas shall file detailed information related to the 2026 forecast cost-effectiveness results for the Residential Program by **Wednesday, July 9, 2025**.
2. OEB staff and Intervenors seeking to file evidence related to Enbridge Gas Inc.'s Residential Program shall write to the OEB for leave to do so by **Friday, July 11, 2025**.
3. Enbridge Gas Inc. shall file with the OEB, copying all other parties, any response to intervenors seeking to file evidence by **Monday, July 14, 2025**.
4. Any intervenors granted leave by the OEB to file evidence shall file their evidence with the OEB, copying all other parties, by **Wednesday, July 23, 2025**.
5. The OEB is making provision for a virtual transcribed technical conference in lieu of interrogatories on **Monday, July 28, 2025** starting at 9:30 a.m. If necessary, the technical conference will continue on **Tuesday, July 29, 2025**. In preparation for the technical conference, the OEB will require parties to provide an estimate of the time required, appreciating the limited scope of discovery related to the Residential Program by **Thursday, July 24, 2025**.
6. Responses to undertakings from the technical conference shall be filed with the OEB and sent to all parties by **Tuesday, August 5**.
7. Any written submissions by OEB staff and Intervenors shall be filed with the OEB and served on Enbridge Gas and Intervenors by **Monday, August 18, 2025**.
8. Enbridge Gas may file a written reply submission with the OEB and serve it on Intervenors and OEB staff by **Friday, August 29, 2025**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2024-0198** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.

- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact [registrar@oeb.ca](mailto:registrar@oeb.ca) for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar at the address below and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Michael Bell at [Michael.Bell@oeb.ca](mailto:Michael.Bell@oeb.ca) and OEB Counsel, Lawren Murray at [Lawren.Murray@oeb.ca](mailto:Lawren.Murray@oeb.ca).

Email: [registrar@oeb.ca](mailto:registrar@oeb.ca)

Tel: 1-877-632-2727 (Toll free)

**DATED** at Toronto, **July 3, 2025**

**ONTARIO ENERGY BOARD**

Ritchie Murray  
Acting Registrar