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November 5, 2025

**EB-2024-0198 – Enbridge 2026-2030 DSM Application
Pollution Probe Letter on Program Incentive Eligibility**

Dear Mr. Murray:

It has been brought to our attention that the Residential Whole Home Offering (a one-window program)¹ highlighted in Enbridge’s application and as currently being delivered² appears to include incentive terms that exclude the provision of Demand Side Management (DSM) incentives if it results in a decrease to natural gas use or a customer moving away from natural gas.

The OEB previously became aware that Enbridge was not providing DSM incentives to customers that did not commit to retain the use of natural gas. The OEB ordered Enbridge to ensure that DSM incentives were available to customers reducing their use of natural gas or using the incentives to move away from natural gas. More specifically, the OEB indicated:

“The OEB has approved incentives for measures, such as cold climate electric heat pumps that allow existing gas customers to switch away from gas. The OEB has also removed the requirement for program participants to continue to be gas customers as a condition of participating in DSM programming. The OEB is of the view that requiring program participants to remain a natural gas customer after completing an efficiency project is inconsistent with allowing customers to make their own energy use decisions. Further, requiring a program participant to continue to use natural gas acts as a barrier to achieving greater overall natural gas savings and greenhouse gas reductions.”³; and

“The OEB finds that providing gas customers with incentives to use natural gas more efficiently through measures such as improved building insulation, or to switch away from natural gas to electricity powered solutions such as heat pumps is consistent with the DSM objectives of reducing natural gas consumption and increasing the efficiency of natural gas usage.”⁴

¹ EB-2024-0198, Exhibit C, Tab 2, Schedule 1 and Exhibit C, Tab 2, Schedule 2.

² The Residential One-Window Program is currently in operation and proposed to continue into 2026, per EB-2021-0002 EGI_Ltr_EB-2021-0002_Residential_DSM_Program_Update_20240619.

³ EB-021-0002 Dec_Order_EGI_DSM Plan_20221115, page 3.

⁴ EB-021-0002 Dec_Order_EGI_DSM Plan_20221115, page 16.

Enbridge notified the OEB that in 2025 Enbridge merged the Residential DSM Program with the IESO Save on Energy Program to provide a one-window Residential Program⁵. Among other incentives, this included combined incentives for electric heat pumps as outline in the Enbridge evidence, as noted in Table 3 below⁶.

Table 3
HRS Program (Residential Single Measure Offering): Incentives

Baseline Heating Fuel (prior to heat pump installation)	Equipment Ownership	Heat Pump Measures	Eligible Measure Incentive	Qualifiers	Funded By
Electricity/Oil/Propane/Wood	Rental	ccASHP Full Equipment	\$500/ton*	Up to \$2,000	IESO
		GSHP Full System	\$3,000	Flat Rate	
	Owned	ccASHP Full Equipment	\$1,250/ton*	Up to \$7,500	
		GSHP Full System	\$2,000/ton*	Up to \$12,000	
Natural Gas	Rental or Owned	ccASHP Full Equipment	\$500/ton*	Up to \$2,000	Enbridge Gas
		GSHP Full System	\$3,000	Flat Rate	

It has been brought to our attention that the terms for incentives related to the one-window Residential programs are restricting the provision of incentives if it reduces the use of natural gas or if a customer moves away from natural gas. An example related to HVAC Upgrades for electric air source heat pumps is included below as an example. Additional program terms are provided in the worksheet links below.

Consumers accessing the one-window Residential program are required to complete the corresponding worksheet. For incentives related to air source heat pumps, the applicable worksheet is found on the Save on Energy site under the "HVAC Upgrades" section: <https://saveonenergy.ca/For-Business-and-Industry/Programs-and-incentives/Retrofit-Program/Application-Documents> and the Unitary Air Source Heat Pump worksheet is located at: <https://saveonenergy.ca/-/media/Files/SaveOnEnergy/Industry/Retrofit-Documents/worksheets/Retrofit-Unitary-ASHP.xlsx>

A copy of the instructions at the top of the program worksheet for air source heat pumps is posted below and includes the following condition: "Upgrades that displace natural gas or fossil fuel sources are not eligible".

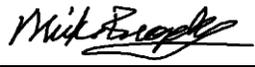
Version 2.0 - Retrofit Program - Unitary Air Source Heat Pump Eligible Measures Worksheet - June 6, 2025
<small>Only Unitary Air-Source Heat Pump (ASHP) of the size and meeting or exceeding the Consortium of Energy Efficiency (CEE) Unitary Heat Pump Specification Appendix B CEE Tier 1 or 2* or Northeast Energy Efficiency Partnerships (NEEP) efficiencies Cold Climate Air-Source Heat Pump Specification Version 3.0** are eligible for Participant Incentives. Units must operate a minimum of 1,000 hours per year to be eligible. Upgrades that displace natural gas or fossil fuel sources are not eligible. This worksheet is not eligible for New Construction, including New Building Systems and Extension of Existing Building, Extensive Renovation, and Change of Major Occupancy, as defined in the Ontario Building Code. Retrofit upgrades for the Unitary Air Source Heat Pump measure must have existing cooling and heating to qualify for incentives.</small>

⁵ EB-2021-0002_Residential_DSM_Program_Update_20240619.

⁶ EB-2024-0198 Exhibit C, Tab 2, Schedule 1, Page 8.

Excluding program funding from customers that use the measure to reduce natural gas use or exclude a customer from moving away from natural gas is contrary to OEB direction. Given the pending DSM Decision⁷, the OEB may wish to ensure that the one-window Residential program does not exclude incentives for customers reducing natural gas use or moving away from the use of natural gas.

Respectfully submitted on behalf of Pollution Probe.



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⁷ EB-2024-0198.