



Ontario  
Energy  
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**BY EMAIL AND WEB POSTING**

**December 16, 2025**

## **PROPOSED AMENDMENTS TO FILING REQUIREMENTS FOR NATURAL GAS APPLICATIONS**

**To: All Rate-Regulated Natural Gas Distributors**

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### **What You Need to Know**

- The Ontario Energy Board (OEB) is proposing amendments to the filing requirements for rate-regulated natural gas distributors to incorporate multiple demand scenarios and additional planning considerations in key applications.
- Gas distributors may submit written comments on the proposed amendments by **January 27, 2026**. The OEB intends to finalize the amendments by **March 31, 2026**, with expectations for best efforts implementation by June 30, 2026 and mandatory compliance for applications filed after April 1, 2027.

On June 11, 2025, the Minister of Energy and Mines (Minister) directed the Ontario Energy Board (OEB) pursuant to section 25.30(2) of the *Electricity Act, 1998*, with regard to the implementation of the Integrated Energy Plan (Plan), titled [\*Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7\*](#), in respect of matters falling within the OEB's jurisdiction.

In response, the OEB is proposing amendments to the filing requirements for certain natural gas applications in response to the Minister's Directive regarding implementation of the Ontario Government's Integrated Energy Plan, *Energy for Generations*. This letter specifically addresses sections 2.1 and 2.2 of the Minister's [Directive](#) to the OEB.

## A. Background

Energy planners must enhance their practices to ensure systems are neither overbuilt (harming affordability) nor underbuilt (impeding growth). Planning within entities serves as the basis for higher levels of coordination.

The current filing requirements for natural gas Cost of Service and Leave to Construct applications do not require gas distributors to provide multiple demand scenarios in support of their application. The OEB's [\*Framework for the Assessment of Distributor Gas Supply Plans\*](#) requires gas distributors to use the OEB-approved methodology to prepare demand forecasts and demonstrate that all appropriate factors impacting the forecast are considered. The Framework does not, however, require distributors to provide multiple demand scenarios.

Pursuant to the Directive, the OEB is proposing updates to the filing requirements for the following types of applications where distributors will be required to provide multiple demand scenarios:

- Cost of service
- Leave to construct, where the application is for replacement or expansion of facilities, but not for applications driven entirely by customer requests
- Integrated Resource Plans (IRP)
- Five-year Gas Supply Plans and for annual updates only in the event there is a material change to supply and demand conditions

For Cost of Service applications, multiple demand scenarios will form part of a distributor's Rate Base and Operating Revenue evidence.

For Leave to Construct applications concerning the replacement or expansion of facilities, multiple demand scenarios, including qualitative and quantitative risk assessments for each scenario, will form a basis to determine project need. Gas distributors will be required to demonstrate that the demand forecast provided in support of project need incorporates these multiple demand scenarios that support the rationale for selection of the project as the preferred alternative.

Similarly, for IRP Plan applications, the multiple demand scenarios will form a basis to determine project need and to support the rationale for selection of the IRP Plan as the preferred alternative.<sup>1</sup>

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<sup>1</sup> IRP Plan applications do not have defined Filing Requirements but are generally expected to include information similar to what is found in Leave to Construct applications. Therefore, the proposed updates to the Filing Requirements for Leave to Construct applications also provide guidance as to the OEB's expectations for IRP Plan applications.

The OEB's Framework for the Assessment of Distributor Gas Supply Plans (Framework) requires gas distributors to file a comprehensive five-year gas supply plan once every five years and annual updates. The objective of the review is to introduce greater transparency, accountability and performance measurement to the review of gas supply plans to ensure that customers are receiving value from the gas distributors' gas supply activities. For future five-year gas supply plans, the OEB will require gas distributors to incorporate multiple demand scenarios and demonstrate how the gas supply plan will respond to these demand scenarios and fulfil the OEB's guiding principles of the Framework – to deliver gas supply that is cost-effective, reliable (secure) and achieves public policy objectives. The multiple demand scenarios will not be required for the annual updates unless there is a material change in the annual update from the five-year gas supply plan.

### **Related Proceedings**

The OEB acknowledges the ongoing proceeding regarding Enbridge Gas Inc.'s (Enbridge Gas) Gas Supply Plan may result in changes to the Framework. The OEB will consider any consequential adjustments to the filing requirements stemming from the Directive at the appropriate time.

Similarly, Phase 3 of Enbridge Gas's 2024 rebasing application<sup>2</sup> is not yet complete. The OEB may consider a more comprehensive review of the Filing Requirements for Natural Gas Rate Applications upon completion of the current rebasing proceeding and in advance of the anticipated 2029 rebasing application from Enbridge Gas. Gas distributors are therefore encouraged to refrain from commenting on other matters that may be reflected in the attached excerpts, which are included here for context only.

The Directive provides the OEB discretion to determine whether it is appropriate or relevant to require this additional information for future applications. The Directive also states that distributors may use modelling done by others to satisfy the requirement to assess multiple scenarios. EPCOR Natural Gas Limited, being the only other rate regulated natural gas distributor in Ontario other than Enbridge Gas, may exercise this discretion in respect of future applications, as appropriate.

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<sup>2</sup> EB-2025-0064

**B. Next Steps**

The OEB has proposed amendments to the filing requirements for Cost of Service, Leave to Construct and Gas Supply Plan applications. The proposed amendments to the relevant sections of the filing requirements are underlined in the attached appendices.

The OEB is providing gas distributors with an opportunity to file written comments on the proposed amendments to the filing requirements. Gas distributors may file written comments by **January 27, 2026**. The OEB intends to issue final amendments to the filing requirements relating to the Directive by **March 31, 2026**.

Yours truly,

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c: All Intervenors in Natural Gas Proceedings Currently Underway

Attachment(s): Appendices - Proposed Updates to Natural Gas Filing Requirements

## **APPENDIX 1: Excerpts from the Letter of Direction**

Pursuant to section 25.30(2) of the *Electricity Act, 1998*, and pursuant to section 35 of the *Ontario Energy Board Act, 1998*, the Minister directed the OEB, among other matters, as follows:

2.1 The OEB shall set the expectation for natural gas and electricity distributors to begin incorporating multiple demand scenarios for their planning frameworks and processes by June 30, 2026 on a best effort basis. The OEB shall encourage and, where it deems appropriate, require this for relevant applications filed after April 1, 2027. This shall include, at a minimum:

- A reference case that reflects current trends and policies in electrification of transportation, industry, and other areas that impact electricity and natural gas, along with both high and low demand scenarios that reflect reasonable incremental increases or decreases in demand with appropriate and substantiated assumptions.
- Qualitative and quantitative risk and uncertainty assessments, as appropriate, for each of the scenarios.
- For clarity, where existing modelling of scenarios already meet or exceed the above requirements, no additional action is required.
- For clarity, natural gas and electricity distributors may use modelling done by others to satisfy the requirement to assess multiple scenarios.

2.2 Encourage and, where the OEB deems appropriate, require natural gas and electricity distributors to implement or continue the following in their planning frameworks and processes for relevant applications filed after April 1, 2027, and set the expectation for utilities to begin incorporating this requirement by June 30, 2026 on a best effort basis, as the OEB deems relevant:

- Incorporate economic growth projections, including employment, population and housing.
- Incorporate cost projections for future investments that reflect reasonable assumptions for cost trends, where appropriate.
- Consider frequent and extreme weather impacts on energy infrastructure resilience and ensure future average, minimum and maximum temperatures are incorporated into demand modelling.
- Where pertinent and practical, if a system investment, policy, or program is intended to facilitate fuel switching, consider costs and benefits across impacted energy systems.

## **APPENDIX 2: FILING REQUIREMENTS FOR NATURAL GAS RATE APPLICATIONS**

### **UPDATES TO EXHIBIT 2: RATE BASE AND EXHIBIT 3: OPERATING REVENUE<sup>3</sup>**

#### **Exhibit 2: Rate Base**

##### **Utility System Plan**

This section will consist of a consolidated utility system plan (USP), including an asset management plan. All elements of the utility system plan must be contained in one integrated document that contains each of the prescribed components. The USP must contain all elements in one integrated and cohesive document. The USP must be filed as a stand-alone and self-sufficient document within this section of Exhibit 2.

The natural gas system encompasses regulated above and below-ground assets which can include distribution, storage, and transportation system assets. The USP must include all applicable elements from the Rate Handbook and the OEB's guidelines for natural gas utilities' transportation and distribution system projects (E.B.O. 134 and E.B.O. 188).

The USP must include the following:

- A description of the utility's investment planning process
- The engineering plan for the utility, including the overall plan for capital investments
- The longer term economic and planning assumptions, including expectations of natural gas prices
- The asset management plan (see below)
- A description of how investments are selected and prioritized
- Highlights of recent and proposed investments and the relationship to the engineering plan
- A description of how the needs of customers and overall system planning policy objectives are being reflected, including obligations stemming from Ontario Government policy including the facilitation of a cap and trade framework, relevant greenhouse gas (GHG) legislation, Demand Side Management (DSM) programs and consideration of the OEB's statutory objectives, as applicable

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<sup>3</sup> Filing Requirements for Natural Gas Rate Applications, February 16, 2017.

- Linkages to the gas supply plan
- Linkages and trade-offs between capital projects and ongoing OM&A spending

An applicant should incorporate the following additional requirements on a best-efforts basis by June 30, 2026. This information will be required for applications filed after April 1, 2027:

- Relevant economic growth projections, including employment, population and housing which were considered to produce demand forecasts
- Cost projections for future investments that reflect reasonable assumptions for cost trends, where appropriate
- Consider frequent and extreme weather impacts on energy infrastructure resilience and ensure future average, minimum and maximum temperatures are incorporated into demand modelling
- Where pertinent and practical, if a system investment, policy, or program is intended to facilitate fuel switching, consider costs and benefits across impacted energy systems

## **Exhibit 3: Operating Revenue**

### **Throughput and Revenue Forecast**

The applicant must provide an explanation of the drivers, assumptions and adjustments underpinning the throughput forecast. All economic assumptions and data sources used in the preparation of the volume and customer count forecast, including expansions and the impact of any demand side management, cap and trade or other GHG reduction-related activities, must be identified and included in this section. Forecasts should include a date of preparation.

The applicant must also provide an explanation of the weather normalization methodology used and indicate in which OEB proceeding approval was granted for its use. All economic models, econometric models, end-use models, customer forecast surveys and other material inputs must also be described and documented.

The applicant must provide a description of how demand side management, cap and trade or any other GHG reduction-related activities affect throughput forecasts in each year of the rate-setting plan.

An applicant should incorporate the following requirements on a best-efforts basis by June 30, 2026. This information will be required for applications filed after April 1, 2027:

- A reference case that reflects current trends and policies in electrification of transportation, industry, and other areas that impact electricity and natural gas, along with both high and low demand scenarios that reflect reasonable incremental increases or decreases in demand with appropriate and substantiated assumptions.
- Qualitative and quantitative risk and uncertainty assessments, as appropriate, for each of the scenarios. Identification of all assumptions underlying the multiple demand scenarios and explanation of the basis for selecting the specific demand scenarios.
- For clarity, an applicant may use modelling done by others to satisfy the requirement to assess multiple scenarios.



## **APPENDIX 3: FILING REQUIREMENTS -LEAVE TO CONSTRUCT APPLICATIONS<sup>4</sup>**

### **UPDATES TO EXHIBIT B: PROJECT NEED**

#### **Exhibit B: Project Need**

1. Provide an explanation of the purpose, need and timing of the proposed facilities. This could include:
  - a. The methodology and results of market research, customer attachment projections and volumetric forecasts
  - b. The methodology and results of a network analysis that demonstrates that the existing system is at or nearing capacity
  - c. Any risk assessments or other evidence that demonstrates the existence of an unacceptable system integrity issue
  - d. A description of how planning of the proposed project was informed by customer preferences and/or was driven by benefits to customers
  - e. To the extent that the applicant proposes to use a pipe size larger than required to meet the projected near or medium-term demand (approximately 10 years) (i.e., “upsizing”), an explanation as to why the larger pipe size is necessary
  - f. A description of how planning of the proposed project addresses the appropriate pacing and prioritization to control costs and manage risks
  - g. An explanation of why the project cannot be deferred
  - h. A schedule of the proposed project’s key milestones including, at a minimum, estimated dates for:
    - i. Environmental Assessments
    - ii. Permits and approvals
    - iii. Application(s) to the OEB
    - iv. Pre-construction, construction, and testing

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<sup>4</sup> Filing Requirements for Leave to Construct Applications are set out in section 4.5 of the OEB’s Natural Gas Facilities Handbook

v. In-service

- i. Commentary on the project's key milestones to the extent that any special considerations must be taken into consideration (e.g., scheduling work around species at risk, long lead-time permits)
2. Describe the context for the project in terms of the applicant's future plans, and where possible refer to applicable growth plans, Utility System Plan (including any Asset Management Plan), or integrated resource plan; this may include identifying and describing any related projects (e.g., system reinforcements) or additional phases of the project, including the timing of those projects.
3. An applicant should incorporate the following requirements on a best-efforts basis by June 30, 2026 (for greater clarity, where an application is driven entirely by customer requests, multiple demand scenarios are not required). This information will be required for applications filed after April 1, 2027:
  - For system expansion and replacement projects, the demand forecast provided in support of project need shall incorporate multiple demand scenarios that support the selection of the project as the preferred alternative. This will include a reference case that reflects current trends and policies in electrification of transportation, industry, and other areas that impact electricity and natural gas, along with both high and low demand scenarios that reflect reasonable incremental increases or decreases in demand with appropriate and substantiated assumptions and qualitative and quantitative risk and uncertainty assessments, as appropriate, for each of the scenarios. A distributor may use modelling done by others to assess multiple demand scenarios and consider frequent and extreme weather impacts on energy infrastructure resilience and ensure future average, minimum and maximum temperatures are incorporated into demand modelling.
  - The demand forecast should incorporate economic growth projections, including expectations regarding employment, population and housing.
  - The demand forecast should incorporate cost projections for future investments that reflect reasonable assumptions for cost trends, where appropriate
  - Where pertinent and practical, if a system investment, policy, or program is intended to facilitate fuel switching, costs and benefits across impacted energy systems should be considered

## APPENDIX 4: FILING REQUIREMENTS – DISTRIBUTOR GAS SUPPLY PLANS<sup>5</sup>

### UPDATES TO SECTION 1.2 GAS SUPPLY PLAN CRITERIA

#### Gas Supply Plan Criteria

A description of the following gas supply plan criteria:

- 1) Demand forecast analysis
- 2) Supply option analysis
- 3) Performance metrics
- 4) Risk mitigation analysis
- 5) Achieving public policy
- 6) Procurement process and policy

The plans should focus on both the risk and impact to the customers. To effectively demonstrate that the plans have considered a variety of options and their impact on customers, distributors will provide information that supports their planning decisions.

This will include, but not be limited to, the following:

- A detailed description of the process they undertake to develop the demand forecast and describe the associated risks with their approach.
- A detailed description of the rationale that supports their approach to developing their demand forecast, the options considered and their impacts on customers.
- Distributors will be required to incorporate multiple demand scenarios related to their forecast and demonstrate how the gas supply plan will respond to these demand scenarios and fulfil the OEB's guiding principles of the *Framework for the Assessment of Distributors Gas Supply Plans* which are to deliver gas supply that is cost-effective, reliable (secure) and achieves public policy objectives. Distributors should incorporate this requirement on a best-efforts basis by June 30, 2026. This information will be required for applications filed after April 1, 2027.<sup>6</sup>

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<sup>5</sup> EB-2017-0129, Report of the Ontario Energy Board: Framework for the Assessment of Distributor Gas Supply Plans, October 25, 2018

<sup>6</sup> On June 11, 2025, the OEB received a directive regarding the implementation of the Government of Ontario's Integrated Energy Plan (IEP) requiring distributors to provide this information.

- A description of the costs associated with the various options considered and how the final option(s) was/were chosen.
- Analysis of the bill impact of options considered and how these compare to the chosen option(s), including a description of the considerations used to determining the final solution.
- A description of how the options considered (and chosen) impact price volatility and predictability and how the distributor determined what level of volatility was deemed acceptable for customers.
- A description of the various options considered to deliver reliable supply to customers and why the final option(s) was/were chosen.
- Analysis of the cost and bill impact of options considered and how these reliability options compare to the chosen option(s), including a description of the considerations used to determining the final solution.
- A description of the distributor's approach to balancing reliability and flexibility within a plan and what the cost and risk trade-offs are associated with their approach.
- A description of how the distributor built supply and transportation route diversity into the plan and what the cost implications and risks are associated with their approach.