



By EMAIL and RESS

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March 6, 2026
Our File: 20230125

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
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Attn: Ritchie Murray, Acting Registrar

Dear Mr. Murray:

Re: EB-2023-0125 – BCA Framework Phase 2

We are counsel for the School Energy Coalition (“SEC”). Pursuant to the OEB’s letter of February 6, 2026, this letter constitutes SEC’s submissions on proposed revisions to the BCA Framework.

Our submissions are limited to two points.

First, the need to evolve the BCA Framework often is perhaps obvious.

The current draft of the BCA framework is an excellent working document to be used in the early days of NWS deployments. It necessarily will suffer from the lack of on the ground experience in Ontario, but that cannot be avoided. Instead, it will have to be a living document, modified periodically to ensure that it keeps up with the experience of NWS programs by distributors around the province.

Second, the new draft proposes to include a 15% non-energy benefits adder in the DST. This is part of a broader OEB jurisdiction question that needs to be resolved sooner rather than later.

SEC has long supported including non-energy benefits (NEBs) in the calculation of cost-effectiveness of DSM and other efficiency initiatives. In our view, the 15% is quite low, and should be increased, particularly given the recent change to the federal carbon charge, effectively treating greenhouse gas emissions as no longer a cost. We understand that the IESO is currently looking at the quantum of this adder, and in our view the OEB should consider co-ordinating its use of this adder with any new IESO approach.

Unfortunately, Enbridge in their recent DSM filing¹ has challenged the OEB's jurisdiction to include non-financial costs and benefits in its analyses, saying:

“The OEB’s jurisdiction does not extend to regulating the use of, or the downstream effects of using, natural gas. These are powers reserved for the federal and provincial governments. Being an economic regulator established by statute, the OEB’s powers do not permit it to establish a Cost of Carbon for DSM to reflect the societal implications of producing carbon emissions, for reasons tied to the perceived consequences of natural gas use. Such a cost would not reflect directly avoided costs for DSM participants and would instead be designed to reduce natural gas use for reasons *other than* economics and conservation. Screening DSM measures in a manner that targets the implications of using natural gas for environmental and societal reasons would overstep the OEB’s jurisdiction, into the purview of the federal and provincial governments...

Setting and adopting a Cost of Carbon for inclusion in the TRC-Plus test would be inconsistent with the objective of the DSM Framework (i.e., to deliver meaningful savings in natural gas consumption and customer bills, guided by principles that include maximizing cost-effective savings). The effect of artificially inflating the TRCPlus Ratio would be to increase the economic viability of DSM measures towards acceptance for ratepayer funding for DSM programs – a change that is directed at GHG emissions reductions due to climate change concerns, rather than consumption and actual energy bill savings for individual customers.” [emphasis added]

To be clear, SEC does not agree with Enbridge’s position. SEC does not believe that the OEB’s jurisdiction is limited to an accounting exercise in which dollars in and out are netted. The OEB is required to act in the public interest in its policies and decision-making, and the public interest is not just math.

However, if Enbridge were found to be correct, the necessary implication is that any addition to a cost-benefit analysis that is not a direct financial cost (whether to the distributor, the energy system, or the customer, depending on the test being considered) would be outside of the OEB’s jurisdiction. Enbridge targets the cost of carbon in their submission, but that is really no different than any other environmental, social, or other non-financial cost of energy policies and decisions. If there is no jurisdiction to reflect the cost of carbon, there is no jurisdiction to consider any of those other NEBs.

This issue arises in the current Enbridge DSM proceeding, in the various IRP proceedings, also affecting Enbridge, in eDSM and NWS analyses by individual utilities and the OEB, and even in facilities applications.

SEC submits that it is in the interests of all parties for the OEB to make a general determination as to its jurisdiction to consider non-energy costs and benefits in any proceeding before it. This should not be determined in any individual proceeding looking at part of the issue. If the jurisdiction of the OEB is circumscribed, all parties with an interest in that question should be given the opportunity to make submissions, and the matter should be resolved. Further, to the extent that Enbridge wants to continue their challenge to the OEB’s jurisdiction, for example in court, that should happen as soon as possible.

¹ Enbridge 2027-2030 DSM Plan, EB-2025-0295, Ex.C-1-2, at para. 15 and 17



By implication, then, the BCA Framework should include an adder for NEBs, but that adder should be suspended or held in abeyance until the OEB's jurisdiction to include it is resolved in a broader jurisdictional proceeding.

All of which is respectfully submitted.

Yours very truly,

Shepherd Rubenstein Professional Corporation

A handwritten signature in black ink, appearing to read "Jay Shepherd".

Jay Shepherd

cc: Brian McKay, SEC (by email)
Interested Parties (by email)