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March 9, 2026

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, ON M4P 1E4

Attention: Ritchie Murray – Acting Registrar

Dear Mr. Murray:

**Re: Low Income Energy Network and Vulnerable Energy Consumers Coalition
Joint Comments on the Draft Issues List
OEB File No. EB-2025-0295–(2027-2030) Demand Side Management (“DSM”) Plan**

Willms & Shier Environmental Lawyers LLP is legal counsel for the Low-Income Energy Network (“LIEN”).

In accordance with Schedule B of the Procedural Order No. 1 issued February 27, 2026 in the above referenced proceeding, LIEN and the Vulnerable Energy Consumers Coalition (“VECC”) have coordinated on the Draft Issues List and have included joint revisions and additions (in **Bold**) to the Draft Issues List as set out below.

Furthermore, LIEN and VECC enclose joint submissions below regarding whether consideration of cost of carbon for DSM cost-effectiveness testing is within the scope of EB-2025-0295.

LIEN and VECC’s revisions to select issues on the Draft Issues list

- ♦ **Issue 9:** Does Enbridge Gas’s proposed budget, including program costs and portfolio costs, result in reasonable rate impacts, while addressing the OEB’s DSM objectives and guiding principles in its DSM Framework, including having regard to consumers’ economic circumstances.
 - a) **Is Enbridge Gas’s proposed Residential Program Budget appropriate?**
 - b) **Is Enbridge Gas’s proposed Income Qualified Program Budget appropriate?**
 - c) **Is Enbridge Gas’s proposed Commercial Program Budget appropriate?**

d) **Is Enbridge Gas’s proposed Industrial Program Budget appropriate?**

e) **Is Enbridge Gas’s proposed Large Volume Program Budget appropriate?**

Rationale: LIEN and VECC propose the above additions to Issue 9, consistent with the proposed format of Issues 12 and 13, which specifically refer to the proposed scorecard and program offerings at the program level, respectively.

LIEN and VECC submit that program costs are of comparable importance and should also be reviewed at the individual program level. Otherwise Issue 9 might be interpreted narrowly to include consideration of only the total DSM budget rather than the DSM budgets at the individual program level. The suggested modifications to Issue 9 make it clear that the scope of the proceeding includes whether each of the individual program budgets is appropriate.

- ♦ **Issue 13:** Has Enbridge Gas proposed an optimal suite of program offerings, **including the proposed modifications from 2026 DSM programs**, that will maximize natural gas savings and provide the best value for rate payer funding?
 - a) Are Enbridge Gas’s proposed program offerings **including proposed program modifications** for existing residential customers appropriate?
 - ~~b) Are Enbridge Gas’s proposed residential beyond building code offerings appropriate?~~
 - c) Are Enbridge Gas’s proposed program offerings **including proposed program modifications** for income qualified customers appropriate?
 - d) Are Enbridge Gas’s proposed program offerings for commercial customers appropriate?
 - e) Are Enbridge Gas’s proposed program offerings for industrial customers appropriate?
 - f) Are Enbridge Gas’s proposed program offerings for large volume customers appropriate?
 - g) Are Enbridge Gas’s proposed program offerings appropriate for customers in Indigenous communities?
 - h) Are Enbridge Gas’s proposed program offerings for small and micro business customers appropriate?
 - i) Should there be any program offerings **and/or modifications** included in addition to or to replace those proposed by Enbridge Gas?

Rationale: Enbridge Gas has added, deleted or modified DSM offerings within the residential and low-income programs compared to its 2026 DSM Plan. It is important to be able to cover not only the specifics of Enbridge Gas’s proposed program offerings, but also why and if so, how Enbridge Gas, in its 2027-2030 DSM Plan, has modified its 2026 DSM program offerings, so that the OEB panel has a comprehensive basis on which to find the proposed 2027-2030 DSM program offerings reasonable.

- ◆ **Issue 16:** LIEN and VECC propose that Issue 16 be expanded and split into two issues as follows:
 - **Proposed Issue 16 (a): Are the input assumptions and avoided costs, Non-Energy Benefits (NEBs), cost of carbon and other aspects of calculation of cost effectiveness including NEBs appropriate?**
 - **Proposed Issue 16 (b): Are Enbridge Gas’s proposed updates to the treatment of input assumptions, NEBs, and cost of carbon, cost effectiveness, and avoided costs appropriate?**

Rationale: In its filed evidence, at D-10-1, Enbridge Gas provides the DSM Plan input assumptions and adjustment factors. Issue 16 needs to go beyond assessing the treatment of input assumptions. Issue 16 also needs to consider whether the proposed input assumptions themselves are appropriate. Determining the inputs to and their application in the program screening mechanism is critical to the evaluation of the merits of Enbridge Gas’s proposed suite of DSM program offerings and its overall DSM portfolio.

The treatment of NEBs and the appropriate value for NEBs is an issue being investigated by the OEB as part of the BCA framework. It is already a part of the current DSM portfolio, program and program offering screening process for the natural gas DSM Framework, that being the TRC + Test, which includes a 15% NEB adder. Since it is part of the current natural gas DSM framework, its value and treatment should be considered in scope of this proceeding. Similarly, the cost of carbon is part of the existing DSM Framework and Enbridge Gas has chosen a value of 0 for its 2026 DSM plan.

How to value carbon going forward into the 2027-2030 DSM program in the natural gas DSM TRC + program screening mechanism should therefore be part of the scope of this proceeding and included explicitly in Issue 16. For these reasons, LIEN and VECC propose that Issue 16 be expanded to include NEBs and the cost of carbon.

- ◆ **Issue 20:** Is there any transition and/or implementation, **and/or stakeholder consultation** guidance required related to the proposed ~~2026~~2027-2030 DSM plan and any future DSM plan application?

Rationale: It is important that the 2027-2030 DSM approval by the OEB provide direction and guidance to Enbridge Gas on required as well as recommended consultation with stakeholders during the course of the implementation of any approved DSM plan so that Enbridge Gas has a more informed basis on which to consider and make mid-course correction and continual improvement in program delivery.

Furthermore, to facilitate a more effective development of Enbridge Gas's next DSM plan, it will be important to consult early and meaningfully with stakeholders. Expanding Issue 20 to cover all these matters should enhance Enbridge Gas's delivery of any approved DSM plan, and help to ensure a higher quality future DSM plan.

Additional Comments

LIEN and VECC have had the opportunity to review the draft submissions of the School Energy Coalition (SEC) and support SEC's proposed addition of the following issue for the reasons put forward by SEC:

- ♦ What is the appropriate role, if any, of the Stakeholder Advisory Group going forward? If the SAG is not to have a continuing role, what body or procedure, if any, should replace it?

Yours truly,



Ali Naraghi
Associate

cc: LIEN Legal Subcommittee
Judy Simon (consultant for LIEN)
Shelley Grice (consultant for VECC)

1416-8012-3677, v. 5

Joint Submission of LIEN and VECC Regarding Whether the Consideration of Cost of Carbon for DSM Cost-effectiveness Testing is Within the Scope of EB-2025-0295

March 9, 2026

LIEN and VECC have supported the use of a TRC + Test, from its inception. The TRC + Test includes Non-Energy Benefits (NEBs) and most recently also includes a cost of carbon.

A cost-effectiveness test does not set a price for anything in the market, including carbon. Rather the cost of carbon without a market price becomes a monetized value for inclusion in a program screening test for planning purposes to make a more informed decision on the suite of programs in a DSM portfolio. Since the beginning of natural gas DSM in Ontario, the OEB has been considering how, not whether, to include environmental and social costs and benefits in the cost analysis of DSM programs. In E.B.O.-169-III, the Board Findings stated,

“The Board concluded that those program externalities which involve significant environmental and social costs and benefits should be included in the cost analysis of DSM programs.” (E.B.O. 169-III, July 23, 1993, p.2).

To achieve that monetization, the OEB established a Collaborative to assess externalities and monetization methodologies and to recommend appropriate qualitative assessment processes for the screening of DSM programs and portfolios. The Board panel mandated the Collaborative to carry out “a survey of how non-regulated emissions and other effects from natural gas (e.g. CO₂ emissions and effects on communities) currently are treated in the SCT in other jurisdictions... and make recommendations....for Ontario.” (E.B.O. 169-III, p.61).

In E.B.O. 169-III, the OEB approved the Societal Cost Test as the first program screen and then the Ratepayer Impact Measure (RIM) test as the next screen, noting that if the program failed the RIM, there should be consideration to questions such as “Will the long-term net societal benefits of the DSM program override its immediate rate impacts?” (p. 152).

Over time with the work of the Collaborative and natural gas utility DSM experience, the OEB moved from this screening framework to the one in place now, which is the TRC + Test, monetizing non-energy benefits through the 15% adder and including a price for carbon.

It is clear from the history of natural gas DSM in Ontario since 1993, that the OEB has focused on how to carry out the monetization of social and environmental benefits and costs, including CO₂ emissions, and the quantum of the monetized value to include in the cost-effectiveness test. This history strongly suggests the OEB did not find it had no

jurisdiction to include such monetized values, including CO₂ emissions in its cost-effectiveness tests.

Therefore, LIEN and VECC submit, that the OEB has jurisdiction to include NEBs and the cost of carbon in the OEB's cost-effectiveness tests. The consideration and inclusion of monetized values for social and environmental impacts for program screening have been part of the DNA of the natural gas DSM Framework in Ontario since its inception.

If the OEB is of the view that it does not or may not have jurisdiction to include a monetized value for the cost of carbon in its DSM program cost-effectiveness test (currently the TRC + Test), then LIEN and VECC support School Energy Coalition's recommendation for the OEB to hold a separate proceeding, a generic hearing, in which all interested parties have proper notice and the ability to be heard on this matter, as the conclusion on this matter has implications for the OEB's work on the BCA Framework, Stream 2 eDSM, and other matters.

The generic hearing would consider whether the NEBs and costs of utility actions or proposed actions are within the jurisdiction of the OEB. Until this matter is resolved, the issue of NEBs and the cost of carbon should remain an issue covered by the Issues List in this proceeding (EB-2025-0295).

LIEN and VECC propose that Issue 16 on the draft Issues List be expanded to include consideration of the cost of carbon.