



Ontario | Commission
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BY EMAIL

March 12, 2026

Ritchie Murray
Acting Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Registrar@oeb.ca

Dear Ritchie Murray:

**Re: Ontario Energy Board (OEB) Staff Submission on Draft Rate Order
Enbridge Gas Inc.
2023 Demand Side Management Deferral and Variance Account Disposition
Application
OEB File Number: EB-2025-0189**

In accordance with the Decision and Order dated February 12, 2026, please find attached OEB staff's submission on the draft Rate Order in the above noted proceeding.

Yours truly,

Taiwo Ishmail
Advisor, Application Policy & Conservation

Encl.

cc: All parties in EB-2025-0189



ONTARIO ENERGY BOARD

OEB Staff Submission

Enbridge Gas Inc.

**2023 Demand Side Management Deferral and Variance Account
Disposition Application**

EB-2025-0189

March 12, 2026

Background

Enbridge Gas Inc. (Enbridge Gas) filed an application with the Ontario Energy Board (OEB) on October 14, 2025, under section 36 of the *Ontario Energy Board Act, 1998*, seeking approval to clear balances recorded in the 2023 deferral and variance accounts (DVAs) related to its delivery of natural gas conservation and energy efficiency programs for the 2023 program year.

On February 12, 2026, the OEB issued its Decision and Order on the application approving the treatment of lost revenue, shareholder incentive, and demand side management (DSM) variance account balances. The Decision and Order also directed Enbridge Gas to file a draft Rate Order.

On February 26, 2026, Enbridge Gas filed a draft Rate Order. The draft Rate Order outlines the proposed disposition of approved amounts and interest in the Enbridge Gas' Enbridge Gas Distribution (EGD) and Union rate zones.

Draft Rate Order

The draft Rate Order reflects a one-time billing adjustment for all Enbridge Gas customers. Enbridge Gas indicated that it will clear these balances in conjunction with its July 1, 2026 Quarterly Rate Adjustment Mechanism (QRAM) application.¹

Deferral and Variance Accounts

The draft rate order reflects the total 2023 DSM deferral and variance account balances of \$11.620 million to be collected from ratepayers, plus an additional \$0.524 million in interest, for a total disposition of \$12.144 million effective July 1, 2026. Of the total balance, a \$14.795 million debit balance is applicable to the EGD rate zone, and \$2.651 million credit balance in Union rate zones.

Summary of Approved 2022 Enbridge Gas Deferral and Variance Accounts

Account	EGD Rate Zone	Union Rate Zones	Total
DSM Variance Account (DSMVA)	\$10,678,557	(\$6,787,987)	\$3,890,570
DSM Incentive Deferral Account (DSMIDA)	\$3,852,334	\$3,254,015	\$7,106,349
Lost Revenue Adjustment Mechanism Variance Account (LRAM)	\$7,636	\$615,773	\$623,409
Total (Excluding Interest)	\$14,538,527	(\$2,918,199)	\$11,620,328
Interest	\$256,886	\$267,121	524,007
Total Balances Requested	\$14,795,413	(\$2,651,078)	\$12,144,335

¹ [EB-2025-0189, Draft Rate Order, February 26, 2026](#)

OEB Staff Submission

OEB staff is making specific submissions on the following issues:

- Allocation of Low-income Program cost to Rate T2 customers
- Enbridge Gas Draft Rate Order

OEB Staff Comments on Allocation of Low-Income Program Costs to Rate T2

Enbridge Gas's Draft Rate Order includes a minor adjustment to the allocation of DSMVA and DSMIDA amounts for Rate T2 customers. The Draft Rate Order introduces a separate allocation and unit rate for exempt gas-fired generator customers in Rate T2 to ensure these customers are assigned Low-Income Program costs.

Enbridge Gas indicated that these customers should be allocated a portion of Low-Income Program costs, consistent with the treatment of other exempt customers in Rate 125, Rate 200, and Rate 300 in the EGD rate zone and Rate 25, Rate M9, and Rate T3 in the Union rate zones. This update does not affect the total amount allocated to Rate T2 or any other rate class.

OEB staff notes that Enbridge Gas has appropriately excluded Large Volume program costs to gas fired- generators, consistent with the OEB's findings in its Decision and Order on Enbridge's 2023-2025 DSM plan.² OEB staff is of the view that it is appropriate to include a separate unit rate for low-income costs applicable to exempt gas-fired generators. This is consistent with the OEB's approved approach for allocating low-income DSM costs across all in-franchise rate classes, including those that are not eligible to participate in DSM programs.³

Enbridge Gas Draft Rate Order

The draft Rate Order reflects a one-time billing adjustment for all Enbridge Gas customers. Enbridge Gas proposes to clear the 2023 DSM deferral and variance account balances in conjunction with its July 1, 2026, Quarterly Rate Adjustment Mechanism (QRAM) application.

OEB staff submits that Enbridge Gas' draft Rate Order, including the allocation between rate classes and the resulting one-time billing adjustment amounts, are appropriate and consistent with the Decision and Order.⁴

~All of which is respectfully submitted~

² [EB-2021-002, Decision and Order, Enbridge Gas 2022+ DSM Plan application, November 15, 2022, Section 4.2.4, p. 43.](#)

³ [EB-2021-0002, Enbridge Gas 2022+ DSM Plan application, Updated Evidence, September 29, 2021, Exhibit F, Schedule 1, p. 1.](#)

⁴ [EB-2025-0189, Decision and Order, February 12, 2026](#)