

VIA E-MAIL

March 30, 2026

Ontario Energy Board
Attn: Mr. Ritchie Murray, Acting OEB Registrar
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto ON M4P 1E4

RE: EB-2025-0295 – EGI 2027-30 DSM Plan Application

REQUEST & SUPPORT

We are writing on behalf of the Federation of Rental-housing Providers of Ontario (FRPO) in response to Procedural Order No. 2 with respect the Board's request for submissions on the issue of the inclusion cost of carbon on the issues list in this proceeding. This is a complex issue as evidenced by the range of views provided to the Board to this juncture. Our intent is not repeat any of those submissions but to add a supplemental consideration and support a perspective advanced.

Demand-side management as a utility program was established out of the Board Report 169-III¹. Interestingly enough, the Report was entitled GAS INTEGRATED RESOURCE PLANNING. While the paper contained significant content on avoided facilities' costs, as the DSM program has developed and evolved, the focus and resulting economics have emphasized avoided costs of the consumption and combustion of the commodity without much regard for the potential avoided facilities. Evidence of this focus can be seen when in 2021, the Board established an Integrated Resource Planning (IRP) Framework which focused on avoided facilities costs. This new IRP Framework delineated the hourly or daily demand benefits which contribute to facility investments from those generated from the costs of commodity combustion.² As a result DSM economic evaluation has and must still have a comprehensive evaluation of all costs and benefits including externalities of carbon combustion for an effective test. In our view, these externalities or non-energy benefits include emissions from carbon combustion.

¹ Exhibit B, Tab 1, Schedule 1, pg. 1

² It is important to note that the appropriate economic test for IRP evaluation has been a vigorously contested item in the IRP Working Group.

Given the history of DSM to this point, it seems odd that consideration of carbon emission costs should somehow be excluded from the consideration of the Board in its consideration and approval of the DSM program in the public interest. We respect the views of Board staff who have concluded that the Board ought not determine a cost of carbon given their assessment of the legalities³. However, we have had the benefit of reviewing an advanced copy of the submissions (now formally submitted⁴) of the School Energy Coalition (SEC) which provides a paradigm through which we submit the Board can exercise its discretion in determining the appropriate programs for natural gas DSM. As such, we support SEC's submissions.

We thank SEC for advancing its submissions and thank the Board for the opportunity to contribute our views on this important issue.

Respectfully Submitted on Behalf of FRPO,

Dwayne R. Quinn
Principal
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- c. EGIRegulatoryProceedings – EGI
M. Bell – Staff
Interest Parties - EB-2025-0295

³ OEBStaff_Submission_Enbridge Gas Inc_DSM_20260323

⁴ SEC_Sub_IssuesList_EGI_20260330