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

Dear Mr. Ritchie

Re: EB-2025-0295 – Enbridge Gas Inc. Application for Multi-Year Natural Gas Demand Side Management Plan (2027-2030)

We are counsel for Canadian Manufacturers & Exporters (“CME”) in the above captioned proceeding. Pursuant to Procedural Order #1, dated February 27, 2026, and the Board’s letter dated March 5, 2026, these are CME’s submissions with respect to the issues list and the cost of carbon applicable to Enbridge Gas Inc.’s (“EGI”) demand side management (“DSM”) programming.

The Cost of Carbon

CME submits that the Board should include a cost of carbon of \$0 until such a time as the provincial and/or federal government determine a different cost of carbon.

As the Board is aware, on March 15, 2025, the federal government set the cost of carbon at \$0 for rates of charge applicable after March 31, 2025, through Order-in-Council 2025-0446.¹ CME is not aware of the Government of Ontario determining any separate price on the cost of carbon. Given this context, CME submits that the Board should not substitute its own view for the cost of carbon.

¹ Order-in-Council 2025-0446, March 15, 2025, found online at: <https://orders-in-council.canada.ca/attachment.php?attach=47114&lang=en>; Canada Gazette, Part II, Volume 159, Extra Number 2, SOR/2025-107 found online at: <https://gazette.gc.ca/rp-pr/p2/2025/2025-03-15-x2/html/sor-dors107-eng.html>.

However, CME recognizes that the Board has previously included calculation of benefits pursuant to the (“TRC+”) test that go beyond mere economic benefits. This included the 15% non-energy adder, which is designed to account for “other benefits not related to the reduction in natural gas such as environmental, economic and social benefits.”² In CME’s submission, the inclusion of other benefits in the TRC+ test allows the Board and the utility flexibility within the DSM program to account for government policy and to properly calibrate DSM programming to further those policy goals. Removing the cost of carbon entirely from cost effectiveness calculations would reduce the Board’s ability to further government policy.

Accordingly, CME submits that the Board should retain the cost of carbon as part of cost effectiveness testing; however, it should currently be set to \$0. If the federal or provincial governments subsequently change the cost of carbon, the Board will therefore be in a position to respond and include a cost of carbon in cost effectiveness calculations going forward.

The Issues List

Procedural Order #1 contains a draft issues list. CME’s intervention is based on ensuring that EGI’s industrial DSM is reasonable and appropriate, including program and administration costs, shareholder targets and incentives and the actual program offerings. CME is satisfied that the draft issues list provided in Procedural Order #1 is sufficiently broad enough to allow CME to canvas its areas of interest.

Yours very truly



Scott Pollock

cc. Pratik Bhalerao

² EB-2015-0029, Decision and Order, January 20, 2016, at p. 8.