

**VIA RESS and EMAIL**

April 7, 2026

Ritchie Murray  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, Ontario M4P 1E4

Dear Ritchie Murray:

**Re: Enbridge Gas Inc.  
2024 Utility Earnings and Disposition of Deferral and Variance Accounts  
Consumers Council of Canada (CCC) Submission  
OEB File No. EB-2025-0155**

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In accordance with the OEB's Procedural Order No. 2, dated March 4, 2026, please find attached CCC's submission for the above noted matter.

Yours truly,



Lawrie Gluck  
Consultant for the Consumers Council of Canada

cc: All parties in EB-2025-0155

**Enbridge Gas Inc.**

**2024 Utility Earnings and Disposition of Deferral and Variance Accounts**

**EB-2025-0155**

**Consumers Council of Canada Submission**

**April 7, 2026**

## Introduction

Enbridge Gas Inc. (Enbridge Gas) filed an application with the Ontario Energy Board (OEB), dated October 30, 2025 (updated on February 12, 2026), seeking approval to clear the balances in certain 2024 deferral and variance accounts.

Enbridge Gas filed its Argument-in-Chief on March 20, 2026, in which it set out its argument on the matters at issue in the current proceeding.

For the reasons discussed in detail below, the Consumers Council of Canada (CCC) submits that the Distribution Integrity Management Program Variance Account (DIMPVA) should include an additional credit to ratepayers of \$0.37 million (plus interest). This would increase the total credit balance in the account to \$0.39 million (plus interest).

## Distribution Integrity Management Program Variance Account

Enbridge Gas seeks OEB approval to credit ratepayers \$0.02 million (plus interest) associated with the variance between budgeted and actual Distribution Integrity Management Program (DIMP) and Enhanced Distribution Integrity Management Program (EDIMP) costs.<sup>1</sup> The principal balance in the DIMPVA was calculated as shown in the table below<sup>2</sup>:

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<sup>1</sup> Exhibit C, Tab 2, Schedule 13, p. 1.

<sup>2</sup> Ibid., p. 2.

<u>2024 DIMPVA Breakdown</u>				
Line No.	Description	2024 Workplan (\$ millions)	2024 Actuals (\$ millions)	Variance (\$ millions)
	<u>DIMP Admin</u>			
1	Labour, Training, Travel & Accommodations (T&A), Professional Dues, Other Materials/Supplies	0.899	1.596	0.897
	<u>DIMP Projects</u>			
2	Investigations & Assessments	0.307	0.670	0.363
3	Pipe Inspections	0.525	0.459	(0.065)
4	Station Inspections	0.120	0.236	0.116
5	Regulator Set Inspections	0.746	0.862	0.116
6	2023 DIMP Carryover Costs	0.056	0	(0.056)
7	<b>Total DIMP</b>	<b>2.452</b>	<b>3.823</b>	<b>1.372</b>
	<u>EDIMP Admin</u>			
8	Labour, Training, T&A, Professional Dues	1.053	0.887	(0.166)
	<u>EDIMP Projects</u>			
9	ILI & Digs	8.400	7.267	(1.133)
10	CP Surveys and Geohazard Assessments	0.555	0.493	(0.062)
11	Assessments	0.040	0.005	(0.035)
12	2023 EDIMP Carryover Costs	0	0.005	0.005
13	<b>Total EDIMP</b>	<b>10.048</b>	<b>8.656</b>	<b>(1.392)</b>
14	<b>Total DIMP and EDIMP</b>	<b>12.500</b>	<b>12.480</b>	<b>(0.020)</b>

The combined total actual 2024 DIMP and EDIMP costs are essentially equal to the 2024 budget. However, the actual 2024 total administrative costs incurred, in total for both the DIMP and EDIMP programs, is \$0.73 million (or 42%) higher than the original budget (which is reflected in 2024 rates).<sup>3</sup> Therefore, Enbridge Gas only managed to hold its costs within the budget by performing less project work than planned. For example, Enbridge Gas performed significantly less In-Line Inspection (ILI) & Dig work than planned (\$1.1 million below budget spending).<sup>4</sup> The project work is what CCC expects could provide value to ratepayers in the long run.<sup>5</sup>

CCC submits that the quantum of the administrative cost increase, which is largely being driven by incremental FTE costs relative to planned<sup>6</sup>, is excessive. The magnitude of the administrative cost increase (42%) highlights a lack of cost discipline and cannot be deemed prudent spending. We are concerned that, without OEB intervention, these excessive administrative costs will continue into the future (along with the associated

<sup>3</sup> I.CCC-5(a).

<sup>4</sup> Exhibit C, Tab 2, Schedule 13, p. 2.

<sup>5</sup> However, we note that certain information regarding the quantification of benefits arising from the EDIMP program will not be available until a future date. See Exhibit G, Tab 4, Schedule 1, p. 12.

<sup>6</sup> I.CCC-5(b).

requests for recovery from ratepayers). CCC notes that Enbridge Gas’s 2024 actual internal staffing (FTE) costs are nearly \$0.79 million (or 66%) higher than budget.<sup>7</sup> Internal staffing costs are usually not one-time costs, and it is possible that Enbridge Gas expects that this level of staffing is appropriate in the longer term.

For these reasons, CCC submits the OEB should disallow recovery of a portion of the incremental administrative costs incurred on an actual basis in 2024. In this regard, we recommend that 50% (or \$0.37 million) of the total incremental administrative costs incurred should be disallowed for inclusion in the DIMPVA. This will operate to increase the credit balance in the DIMPVA by the same amount.

While CCC is concerned that, without immediate intervention, these excessive administrative costs will continue unrestrained, a reasonable alternative approach would be to deny disposition of the 2024 balance in the current proceeding. Instead, the OEB could review the 2024 and 2025 balances in the DIMPVA together in the next annual deferral and variance account proceeding. This would offer the advantage of additional data regarding the trends in actual administrative (and project) costs and for additional information regarding the benefits of the program to be provided. As it stands, there is information missing (i.e., quantification of the benefits of the 2024 EDIMP work) in the 2024 DIMP and EDIMP Report that will not be available until a future report is completed.<sup>8</sup>

~ All of which is respectfully submitted ~

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<sup>7</sup> Ibid. Table 1, Line 1 plus Line 8.

<sup>8</sup> Exhibit G, Tab 4, Schedule 1, p. 12.