



**BY EMAIL and RESS**

**Mark Rubenstein**  
mark@shepherdrubenstein.com  
Dir. 647-483-0113

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

April 7, 2026  
Our File: EB20250155

**Attn: Ritchie Murray, Acting Registrar**

Dear Mr. Murray:

**Re: EB-2025-0155 – Enbridge Gas Inc. 2024 DVA – SEC Submission**

We are counsel to the School Energy Coalition (“SEC”). Pursuant to Procedural Order No. 2, these are SEC’s submissions on Enbridge Gas Inc.’s (“Enbridge”) application to dispose of various deferral and variance accounts. SEC does not oppose the proposed disposition, except for the Distribution Integrity Management Program Variance Account (“DIMPVA”).

As part of the DIMPVA, Enbridge Gas proposes to credit ratepayers \$0.02M (plus interest) for the variance between budgeted and actual Distribution Integrity Management Program (“DIMP”) and Enhanced Distribution Integrity Management Program (“EDIMP”) costs.<sup>1</sup>

The OEB should delay disposition of the DIMPVA by two years to allow spending to be assessed against the results of the quantitative risk assessments (“QRA”) and any asset life extension (“ALE”) opportunities arising from the EDIMP work. Enbridge’s evidence is that pipelines inspected under EDIMP in 2024 will not undergo QRAs until 2025, and any resulting ALE opportunities will not begin to be reported until the 2025 DIMP/EDIMP Report on Activities is presented as part of that year’s DVA clearance application.<sup>2</sup> That creates an inherent lag between the incurrence of costs and the ability to assess whether those costs produced commensurate benefits to customers.

The intent of the Report on Activities, the agreed upon DIMP/EDIMP reporting, which was approved in conjunction with the DIMPVA, was explicitly for the purposes of understanding “cost/benefit analysis of the DIMP/EDIMP work done during the past year.”<sup>3</sup> Seeking to clear the account before being able

---

<sup>1</sup> C-2-13, p.1

<sup>2</sup> G-4-1, p.12

<sup>3</sup> [Decision on Settlement Proposal \(EB-2022-0200\), August, 17, 2023, Schedule A Approved Settlement Proposal](#), p.56:

Enhanced Distribution Integrity Management Program Variance Account – as described in Issue 12, Parties agree instead to the creation of a new Distribution Integrity Management Program (DIMP) Costs Variance Account. The account will record variances in Enbridge Gas spending each year on the DIMP and EDIMP programs. Parties agree that \$12.5 million is included in the 2024 O&M budget for these programs, and that variances will be recovered from or credited to ratepayers on an annual basis from 2024 until Enbridge Gas



to assess the benefits to customers through understanding the results of the QRAs and ALE is contrary to the intent of the approved Settlement Proposal establishing the DIMPVA. Enbridge admits as much, noting that it will at that point “be able to better quantify the cost/benefit analysis of the 2024 EDIMP work and what facilities work was deferred or avoided.”<sup>4</sup>

SEC recognizes that, the delayed disposition will not be costless to ratepayers if there is a debit balance, as interest will accrue. SEC believes that a solution is to allow for interim disposition of that year's DIMPVA balance, which would be finalized after the OEB is able to review the requisite QRA and ALE information in a subsequent Report on Activities.

Should the OEB nonetheless proceed with disposition, SEC has reviewed the draft submissions of the Consumers Council of Canada ("CCC") and agrees that the relatively small variance, in favor of customers, is misleading. Enbridge's proposed DIMP/EDIMP administrative costs exceeded the budget by 42% (\$0.73M).<sup>5</sup> Enbridge's internal staffing costs alone were 66% over-budget.<sup>6</sup> Enbridge Gas held its total spending within budget only by cutting project work, as in-line inspection and dig spending came in \$1.1M under budget.<sup>7</sup>

SEC agrees with CCC that it is project work that drives ratepayer value, not administrative overhead. Increasing overhead spending without commensurate DIMP/EDIMP work, let alone while reducing it, is not prudent, and if the OEB is to agree to disposition of the amounts in this proceeding, then a portion of those administrative costs should be disallowed. This would result in an increased credit to customers.

Yours very truly,  
**Shepherd Rubenstein P.C.**

Mark Rubenstein

cc: Brian McKay, SEC (by email)  
Enbridge and intervenors (by email)

---

next rebases. Enbridge Gas will provide annual reporting on actual DIMP/EDIMP spending, setting out the work done (and associated costs), listing the projects/facilities where work was done, describing what facilities work was deferred or avoided or otherwise impacted as a result and discussing the cost/benefit analysis of the DIMP/EDIMP work done during the past year.

<sup>4</sup> G-4-1, p.12

<sup>5</sup> Interrogatory Response CCC-5(a)

<sup>6</sup> C-2-13, p.1

<sup>7</sup> Interrogatory Response CCC-5(b)