

May 26, 2026

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

Dear Ritchie Murray:

**Re: Enbridge Gas Inc.
2027-2030 Demand Side Management Plan Application
Ontario Energy Board (OEB) File Number: EB-2025-0295
Intervenor Evidence Proposals**

OEB staff are writing to provide procedural context and prior stakeholder engagement insight for the OEB to consider when determining the value and scope of intervenor evidence proposals and Enbridge Gas Inc.'s (Enbridge Gas) response to those proposals.

Overall, OEB staff shares the following views:

- The evidence proposal from Environmental Defence/Green Energy Coalition (ED/GEC) is reasonable. It appears positioned to provide an appropriate level of incremental analysis over and above what is provided in the Stakeholder Advisory Group (SAG) Report now that Enbridge Gas's DSM plan is fully developed. Finally, it is proportionate relative to Enbridge Gas's request for funding approval.
- Similarly, Small Business Utility Alliance's (SBUA) evidence appears to propose incremental analysis beyond SAG considerations now that Enbridge Gas's small and microbusiness offer is developed. Staff suggests the evidence be scoped proportional to Enbridge Gas's proposal.
- While Business Owners and Managers Association's (BOMA) proposed evidence may provide some informational context, the issues identified relate primarily to the evaluation of Enbridge Gas's proposed approach to commercial program delivery, implementation, and market engagement. Staff are of the view that these matters can be appropriately explored through the discovery process and addressed through argument, rather than through standalone expert evidence.
- Industrial Gas Users Association's (IGUA) request to file industry evidence is reasonable. IGUA should be held to the same process standards as other parties and should be directed to file evidence at the same time.

OEB staff's comments are intended to assist the panel in assessing whether the proposed evidence is of a reasonable scope, non-duplicative of previous work, and useful in evaluating Enbridge Gas's proposed 2027-2030 DSM Plan.

Background – SAG and DSM Plan Process

The SAG was convened in accordance with direction from the OEB in its Decision on Enbridge Gas's 2023-2025 DSM Plan.¹ The SAG met from April 2023 to October 2024, with the SAG Report being issued on November 11, 2024. The SAG was convened to provide structured stakeholder input and recommendations from industry experts in energy efficiency programming for Enbridge Gas to consider as it developed its next multi-year DSM plan, expected to be considered by the OEB in 2025 and approved for implementation as of January 1, 2026. As a result of the one-year extension of Enbridge Gas's DSM plan for 2026, the current application is the first opportunity for the OEB to consider how Enbridge Gas incorporated recommendations from the SAG.

The SAG's role was advisory and exploratory in nature, largely focusing on providing input and feedback on program design concepts and alignment with OEB direction and the DSM Framework. The SAG could not offer input on a fully formed DSM plan, as one was not available.

Although the group provided a number of consensus recommendations, these were made in the absence of a complete DSM plan (a complete plan was not available for the SAG to assess and review). This is important as without a full DSM plan, SAG recommendations could not consider important trade-offs, prioritization, cost-effectiveness and overall value.

OEB staff note the following considerations regarding the SAG and the feedback process:

- SAG participants took part as individuals, not as representatives of parties or intervenors in this proceeding.²
- As a result of its advisory mandate and the absence of a filed DSM plan, the SAG did not review or opine on the following matters, which are central to the Panel's determination in this proceeding:
 - final program designs or delivery mechanisms,
 - proposed budgets or portfolio trade-offs,
 - natural gas savings targets derived from Enbridge Gas's final forecasts,
 - full cost-effectiveness results, or
 - Enbridge Gas's final shareholder incentive proposal.
- The SAG concluded its meetings on October 3, 2024, approximately 14 months prior to Enbridge Gas filing its 2027-2030 DSM plan application. During the interim period there have been several developments, including:

¹ EB-2021-0002, Decision and Order, November 15, 2022, pp. 91-92

² [Natural Gas Demand Side Management Stakeholder Advisory Group Terms of Reference, June 26, 2023](#)

- Federal Government removing the consumer carbon charge,
- Government of Ontario issuing its Integrated Energy Plan,
- Government of Ontario announcement of a 12-year electricity DSM plan to be delivered by the IESO, and
- Enbridge Gas materially revising the scope of its proposed new multi-year DSM plan from a 5-year, \$1.67 billion plan (\$334M/yr) to a 4-year, \$837 million plan (\$209M/yr).

OEB staff is of the view that these factors are relevant when assessing whether intervenor evidence will provide value to the OEB's consideration of Enbridge Gas's DSM plan application. OEB staff has provided feedback on each of the intervenor evidence proposals below.

ED/GEC

OEB staff have reviewed Enbridge Gas's concerns that the ED/GEC evidence would largely replicate the SAG process. Based on staff's review of the proposal, staff do not agree that the proposed evidence, as presented, would duplicate SAG work.

Below, staff note the areas of ED/GEC's proposal that appear incremental to SAG feedback. These focus on areas where complete proposals from Enbridge Gas were not available for detailed consideration by the SAG, or where only high-level discussion amongst the SAG was possible at the time. Staff is of the view that these areas are reasonable and in-scope for intervenor evidence. These include:

- **Assessment of Enbridge Gas's specific DSM proposals**, including program design features, delivery mechanisms, budgets, and portfolio composition;
- **Cost-effectiveness analysis**, which could not be meaningfully assessed by the SAG in the absence of complete program designs, budgets, or key inputs (including carbon cost assumptions);
- **Gas savings levels**, which were not provided to the SAG and are materially different from assumptions in place during earlier DSM proceedings and those that were the result of the Achievable Potential Study;
- **Avoided costs**, including distribution-level considerations, which were only discussed at a general level with the SAG;
- **Large Volume opt-out**, which was not within the scope of the SAG review;
- **Coordination with the IESO**, particularly in light of new joint programming opportunities and the IESO's approved long-term electricity DSM framework; and
- **Shareholder incentives**, where Enbridge did not adopt all SAG recommendations and where alternative incentive structures were not fully explored during the SAG process.

OEB staff agree with Enbridge Gas that expert evidence should not be approved where it would primarily repeat SAG discussions. However, staff consider it reasonable to expect that ED/GEC's proposed evidence would:

- assess the application as filed,
- integrate information that was not available to the SAG, and
- consider how the full DSM plan operates when viewed as a package.

Additionally, the proposed cost of between \$70,000 to \$130,000 seems reasonable considering the scope of the evidence will be a full review of the proposed DSM Plan which Enbridge Gas has requested approval of a budget of approximately \$840 million.

Staff Recommendation:

Staff considers the ED/GEC evidence proposal to be reasonable, provided that the evidence:

- focuses on assessment of Enbridge Gas's filed DSM plan,
- avoids re-examining SAG discussions where no material new information is introduced, and
- clearly identifies the incremental value of the evidence relative to the SAG record.

BOMA

BOMA proposes evidence in three broad areas: empirical analysis of actual commercial building energy performance, low-cost operational and commissioning-type savings, and new-build performance gaps. The proposed evidence is positioned as data-driven and intended to inform potential program design improvements in the commercial sector. Staff note that:

- the SAG addressed commercial building performance and operational improvements at a conceptual and exploratory level, including preliminary discussion of a potential building commissioning offer, but did not assess empirical performance data, quantified savings, or cost-effectiveness associated with such approaches,
- a number of the issues identified, including Enbridge Gas's use of public benchmarking data, treatment of operational savings, and interpretation of observed performance trends, relate primarily to how Enbridge Gas has designed and proposes to implement its commercial DSM offerings. Staff believes these matters can reasonably be examined through interrogatories and responses on the record, which can inform BOMA's assessment of the application and any recommendations on program refinements, without the need for standalone expert evidence, and
- the proposed consultant has an ongoing commercial relationship with Enbridge Gas related to current programming, which staff consider relevant to the weight and scope of the proposed evidence, particularly where the evidence would assess or rely upon program results associated with that programming and lead to recommendations that could benefit the consultant's commercial interests.

Staff Recommendation:

OEB staff do not support the approval of BOMA's proposed expert evidence at this time. While staff acknowledge that the proposed analysis may provide informative context, staff consider that the subject matter largely revisits issues previously considered by the SAG at a conceptual level and can be more reasonably and transparently examined through the discovery process and argument in this proceeding.

SBUA

SBUA proposes evidence focused on Enbridge Gas's activities directed at small and micro-businesses. Staff note that:

- this is the first time Enbridge Gas has proposed a distinct micro-business offering, and
- the SAG could only provide general feedback due to the absence of a specific proposal.

Staff Recommendation:

OEB staff support a narrowly scoped and cost-constrained evidence undertaking that:

- focuses specifically on Enbridge Gas's proposal as filed,
- avoids re-examining SAG discussions where no material new information is introduced, and
- limits the budget to a maximum of \$50,000 which would be proportionate relative to the ED/GEC proposal and considerate of the proposed Microbusiness offer budget (\$1.4 million total, ~\$0.35M/yr).

IGUA

IGUA does not seek to file expert evidence but proposes potential industry evidence following interrogatory responses related to the proposed Large Volume opt-out framework. Staff note that:

- IGUA was specifically identified by the OEB in the previous DSM decision as a party with whom Enbridge Gas should engage on this issue, and
- the SAG could not provide any substantial comments on the Large Volume opt-out proposal as it was not available for review,
- the proposed evidence would be limited in scope and cost.

Staff Recommendation:

OEB staff consider IGUA's request to be reasonable, useful and a natural extension of pre-application discussions. Staff note that timing concerns of IGUA's evidence could be addressed by aligning any evidence filing with the schedule for other intervenor evidence.

Conclusion

Taken together, staff's recommendations above reflect the degree to which each proposal is directly related to Enbridge Gas's current application, addresses matters not previously available to be considered through the SAG process, and does so in a manner that is reasonable relative to the scope and scale of Enbridge Gas's proposed DSM plan.

Any questions relating to this letter should be directed to Michael Bell at michael.bell@oeb.ca or at 416-440-7688. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Michael Bell
Sr. Advisor, Efficiency and Demand Management

c. All Parties in EB-2025-0295