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June 5, 2026

VIA RESS AND EMAIL

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

Dear Ritchie Murray:

**Re: Enbridge Gas Inc. (Enbridge Gas, or the Company)
EB-2025-0064 – 2024 Rebasing – Phase 3
Reply Evidence**

In accordance with Procedural Order No. 5 issued by the Ontario Energy Board (OEB) on April 21, 2026, please find enclosed Enbridge Gas's reply evidence in the above-noted proceeding.

This reply evidence responds to the intervenor evidence submitted on May 15, 2026, by Environmental Defence (ED) and the Green Energy Coalition (GEC) in relation to Issue 13(d).

This material has been filed through the OEB's RESS system and has been sent to all parties in this proceeding.

Sincerely,

Robin Stevenson

Robin Stevenson
Technical Manager, Strategic Applications – Rate Rebasing

REPLY EVIDENCE - ENERGY COMPARISON DISCLAIMER

1. The purpose of this evidence is for Enbridge Gas Inc. (Enbridge Gas or the Company) to respond to the evidence of Energy Futures Group (EFG) submitted jointly by Environmental Defence (ED) and the Green Energy Coalition (GEC) on May 15, 2026.
2. This Reply Evidence is intended to be supplemental to the evidence previously filed by Enbridge Gas at Phase 3 Exhibit 1, Tab 16, Schedule 1, the associated IRs and its response to questions asked by ED/GEC filed on May 1, 2026.
3. In Enbridge Gas's view, the issue before the OEB is not whether customer-facing communications should be prescribed on a line-by-line basis, but whether the disclosure, viewed as a whole and in context, is reasonable, fit for purpose, and not objectively misleading. To the extent the EFG evidence attempts to prescribe specific wording or advances a line-by-line critique of the disclaimer, it extends beyond the scope of the issue established by the OEB. The proper inquiry is whether the disclosure, considered as a whole and in context, is appropriate in the circumstances.
4. Enbridge Gas's decision not to respond to each and every issue raised by EFG should not be construed as either acceptance or opposition.
5. This evidence is organized as follows:
 1. Background of Disclaimer
 2. Response to EFG Recommendations

1. Background of Disclaimer

6. A disclaimer has been used for specific audiences in three defined instances – the Home Renovation Savings (HRS) DSM program, the System Pruning Integrated

Resource Planning (IRP) Pilot Project and the Southern Lake Huron (SLH) IRP Pilot Project.

7. At the time of drafting this evidence, fewer than 1500 emails have been sent containing the HRS program disclaimer and three customers have received the System Pruning IRP Pilot Project disclaimer. The SLH IRP Pilot Project disclaimer was displayed on the Sarnia Saves Pilot Project website during the period the pilot was accepting applications for the residential offer.
8. The HRS disclaimer is high-level, illustrative, and provides general guidance rather than a prediction of customer-specific outcomes to natural gas consumers expressing interest in installing a heat pump. The HRS disclaimer is one of the many heat pump cost comparisons that exist in the public sphere that may be accessed by consumers. Each comparison relies on different assumptions, which may or may not be accepted by all parties. Some comparisons are high level (like the HRS disclaimer), some are detailed, some are current, and some have outdated assumptions. Many comparisons provide disclaimers and note various limitations.
9. An example of a heat pump cost comparison that uses outdated assumptions is the linked calculator on ED's website¹ which was released in the fall of 2023. It includes assumptions that are no longer relevant and has not been updated to reflect current reality. Examples of outdated assumptions are the inclusion of the consumer carbon charge, which was set to \$0 on April 1, 2025, and the inclusion of the Federal Greener Homes Grant for heat pumps, a program which ceased to take new applications in Q1 2024. These are notable because including them dramatically influences the operating cost comparison as well as the lifetime cost comparisons in favour of heat pumps.

¹ The "Switch to Heat Pumps" webpage, <https://environmentaldefence.ca/switch-to-heat-pumps/>, hosted by Environmental Defence links to this heat pump comparison calculator from the Canadian Climate Institute, <https://heatpumpcalculator.ca/>.

10. An example of a heat pump cost comparison that has similar disclaimers and direction to consumers to consult with HVAC professionals as the HRS disclaimer is the one hosted by Toronto Hydro.² This is notable because it is a clear indication by an entity promoting heat pump adoption that the comparison should not be relied upon in place of an estimate provided by an industry professional for that consumer's specific circumstance.

1.1. HRS Consumer Disclaimer

11. The HRS Program is a consumer-facing energy conservation program that includes both natural gas and electric efficiency measures and is designed to provide a single, integrated customer experience. Within this context, Enbridge Gas includes a general informational disclaimer addressing the potential operational economics of electric heat pumps, which is presented only to residential natural gas customers considering and interested in the installation of an electric heat pump within the HRS Program.

12. The inclusion of this disclaimer reflects the characteristics of heat pump technologies relative to traditional natural gas energy efficiency measures. While many DSM measures lead to reductions in natural gas consumption that are generally associated with reductions in natural gas bills, the installation of an electric heat pump introduces interactions between fuel types that may result in different outcomes for total customer energy costs.

13. The HRS disclaimer's function is to ensure that customers are aware that outcomes associated with heat pump installation may differ from those typically associated with natural gas DSM measures, particularly with respect to total energy costs. The disclaimer is intended to provide clarity on this point in a manner that is consistent

² <https://www.torontohydro.com/for-home/savings-sustainability/electric-heat-pumps/heat-pump-calculator>

with the objectives of transparency and informed decision-making, while recognizing the variability in customer-specific outcomes and the inherent limitations of program-level information.

14. The HRS consumer disclaimer is intended to provide general, consumer-facing information regarding the potential relationship between energy use and customer energy bills in the context of heat pump adoption for space heating. Specifically, the disclaimer is intended to:

- Communicate that reductions in natural gas consumption or total site energy do not necessarily result in reductions in total energy costs/bills;
- Identify key factors that influence consumer outcomes, including fuel price differences, equipment efficiency, and operating conditions;
- Provide illustrative information to support consumer understanding of how heating costs may differ across technologies under certain assumptions; and
- Support informed consumer choice by ensuring that customers have access to relevant information when considering participation in the program while advising them to discuss their specific circumstances with their HVAC contractor as energy cost/bill outcomes will vary.

15. The impacts of installing and operating a heat pump are influenced by a range of factors. The disclaimer reflects this variability and is intended to provide general illustrative guidance rather than a prediction of customer-specific outcomes.

16. The HRS disclaimer is not intended to function as a comprehensive economic analysis or decision-making tool. In particular, the disclaimer does not:

- Present a full lifecycle cost analysis of heat pump adoption;
- Quantify all potential costs and benefits associated with different system configurations or fuels;
- Provide tailored or site-specific estimates of customer bill impacts;

- Account for all possible scenarios, including variations in end-use electrification, regional conditions, or customer-specific characteristics; or
- Serve as a substitute for advice or analysis provided by HVAC contractors or other service providers involved with the participants' equipment selection and installation.

The level of detail included in the disclaimer reflects its function as a consumer-facing disclosure intended to be broadly applicable and understandable within the program context.

1.2. IRP Pilot Project Consumer Disclaimers

17. The SLH and System Pruning Pilot Projects include residential customer incentives for heat pumps on a very targeted basis.

- The SLH Pilot Project residential limited electrification offer was launched in September 2025 to residential Enbridge Gas customers in the City of Sarnia, Village of Point Edward and Brights Grove. The incentives for cold climate air source heat pump (ccASHP) are capped at 20 participants and enrollment in the offer ended in April 2026. Enbridge Gas customers participating in the offer must fully switch from natural gas space heating to electric space heating after the heat pump installation without any back up natural gas space heating option, with the exception of natural gas fireplaces only. Participants do not need to disconnect their natural gas service.
- The System Pruning Pilot Project began engagement with eligible customers in March 2026. Customers participating in the offer must fully convert off natural gas and be willing to disconnect their natural gas service.

18. The disclaimers for these Pilot Projects are based on the HRS disclaimer, but reflect the context for the offers and differ from the HRS disclaimer in the following aspects:

- As both pilot offers preclude back up natural gas space heating, the disclaimer includes information on the monthly home heating energy costs of electric resistance heating with an associated description.
- For the SLH Pilot Project, as it is geotargeted, the local natural gas rates, electricity rates and heating degree day results for the Sarnia area are reflected which produce slightly different illustrative numerical results.
- For the System Pruning Pilot Project, in addition to specifying that fixed monthly charges are not included in the comparison, the disclaimer states full disconnection from the natural gas system is required and the homeowner will no longer receive a natural gas bill following disconnection.

2. Response to EFG Recommendations

19. As stated earlier, Enbridge Gas's position is that it is not within the scope of this proceeding nor the role of the OEB to dictate or prescribe line-by-line wording in customer-facing communications.

20. In any event, Enbridge Gas does not agree with Mr. Neme's observations. For the reasons set out below, his critique does not appropriately account for the purpose, scope, and intended audience of the disclaimer, nor the need for a high-level consumer communication to remain proportionate, broadly applicable, and understandable.

2.1. Avoided fixed gas costs

21. Enbridge Gas has no reason to assume that customers who adopt a heat pump are on a path to fully electrifying their home, as EFG has suggested in their evidence. In fact, based on historical DSM program participation information from 2023 to 2025 regarding heat pump installations, more than 95% of participants (89,764/92,296) have retained gas for space heating when installing a heat pump. Therefore, the vast majority of participants would not save an additional \$332/year as suggested

by EFG and it would be inappropriate to include the fixed costs in the comparison presented in the HRS consumer disclaimer. Additionally, the HRS disclaimer clearly notes that fixed charges are not included in the comparison.

2.2. Cooling savings

22. The HRS consumer disclaimer clearly indicates that it is to help homeowners understand their options for home heating. Cooling savings are not relevant to the comparison of potential changes in heating costs and therefore are not included.

2.3. Low-income rebates

23. Low-income rebates target a small fraction of consumers and therefore it is not suitable to include in a broad general-purpose disclaimer.

2.4. Avoided gas expansion surcharges

24. The HRS program is applicable to millions of residential consumers and a very small number of community expansion customers exist within this group. Including the surcharge is not suitable for a broad general-purpose disclaimer.

2.5. Furnace fan savings

25. Greater than 95% of participants have retained gas heating when installing a heat pump as noted above. This means that the \$78/year in savings suggested by EFG as furnace fan savings would not be realized and are therefore not appropriate to include in the comparison of potential changes to costs for space heating.
26. In addition, the EFG evidence did not discuss that, to the extent a heat pump relies upon a defrost cycle to remove any ice build-up on the outdoor unit, its electricity consumption will increase. Consistent with the fact the disclaimer is illustrative and high-level in nature, this has also not been explicitly noted or highlighted to consumers.

2.6. Monthly illustrative comparison

27. Enbridge Gas does not agree that the consumer disclaimer is misleading, inaccurate, or confusing. The disclaimer is intentionally designed as a high-level, consumer-facing disclosure that reflects the typical circumstances of program participants, rather than a comprehensive or individualized cost analysis. It clearly specifies the illustrative nature of the comparison and variability in customer outcomes.

28. The use of a monthly comparison is appropriate because residential customers typically receive and understand their energy bills on that basis. January was selected as the reference month for this illustrative comparison because it provided a practical and relevant basis for comparing heating costs.

29. To provide a meaningful comparison of heating technologies, it is necessary to specify a quantity of heat energy delivered to a home. The illustrative example therefore presents the cost of delivering a defined amount of heat for a winter month, as this represents a period in which space heating demand is present and material for residential customers.