

ENBRIDGE GAS INC.

Answer to Interrogatory from
Canadian Manufacturers & Exporters (CME)

Interrogatory

Issue 4

Reference:

Exhibit D, Tab 1, Schedule 1, pages 5-6.

Question(s):

At pages 5 and 6, EGI proposes a midterm assessment of the plan. EGI stated that the midpoint assessment should have a “limited scope”. However, one topic available at the midterm review is “Any other changes to the DSM Plan deemed appropriate by Enbridge Gas for program offerings to ensure they are meeting customer needs and the objectives for the offerings.”

- (a) Please reconcile EGI’s proposal that the mid-term review with the expansive scope of the proposed topic.
- (b) In EGI’s proposal, would other parties be able to raise any other changes to the DSM that they deem appropriate for the program offerings, or only those changes deemed appropriate by EGI?

Response:

- a) The Company has proposed a mid-point assessment in 2024, as outlined in evidence, to take effect in 2025 through 2027, primarily to consider those program offerings (including associated budgets and targets) which have been identified to require consideration given the rapidly evolving energy environment in the province and the transitional objectives of these program offerings.

To be clear, the mid-point assessment is NOT being proposed to consider updates to DSM Framework elements, performance incentive approaches, scorecards, total DSM portfolio OEB approved budgets, or any wholesale changes to the DSM Plan.

The 2024 mid-point assessment is primarily intended to allow an opportunity to evaluate the progress made with multi-year programs where activities and/or participation spans more than one year and includes a progression of related activities (i.e., Low Carbon Transition, Building Beyond Code and Energy Performance).

The 2024 mid-point assessment would be initiated by means of an application to the OEB wherein the Company would propose the metrics, targets and any proposed budget reallocations required for the 2025-2027 period including any associated program changes based on progress made to date, to ensure the most appropriate programming is in place for the later part of the term to meet program goals, serve customers, and drive results.

At the same time, the mid-point assessment provides an opportunity for the Company to propose additional program offerings that may merit introduction, or program updates necessary to ensure efforts continue to align with the market and evolving policy (for example, insofar as Enbridge Gas is currently in discussion with NRCan regarding coordination of residential programming with the Canada Greener Homes Grant, there may be future market developments that necessitate a re-evaluation of previously approved programs). The rationale for any such updates is to ensure that programs are responsive to any external changes and best designed to drive results for the remaining years of the multi-year plan period.

As the Company will require approvals for its proposal(s) by the end of 2024, Enbridge Gas expects an application would be filed mid-year, approximately July 1, 2024 with a request for approval by December 1, 2024. Enbridge Gas is seeking approval in this proceeding for both the scope and process to be undertaken at the mid-point assessment as part of this Application.

- b) The 2024 mid-point assessment would be the evidence of Enbridge Gas and will be informed by data, learnings and experience gained over the next 3 years and reflective of feedback from stakeholders including customers, business partners and industry experts. In addition, as outlined in evidence, the Company has committed to host annual DSM Stakeholder meetings through the next multi-year plan term. Enbridge Gas plans to convene meetings in the spring of 2023 and 2024 allowing an opportunity for input from interested parties ahead of the development of the mid-point assessment application.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Green Energy Coalition (GEC)

Interrogatory

Issue 4

Question(s):

Does the company agree that a mechanism to accommodate an early update to the plan may be appropriate given the advent of the Federal government's Greener Homes program?

Response:

Please see response to Exhibit I.10a.EGI.STAFF.31.

ENBRIDGE GAS INC.

Answer to Interrogatory from
London Property Management Association (LPMA)

Interrogatory

Issue 4

Reference:

Exhibit D, Tab 1, Schedule 1, page 4

Question(s):

EGI has proposed a 5-year term (2023 – 2027) for the DSM term, including a mid-point assessment near the end of the first two years (i.e. in 2024).

- a) If the mid-point assessment takes place before the end of 2024, what 2024 information would be available for review? Would the only information based on the new DSM framework be for 2023?
- b) Why has EGI not proposed a 6-year term (2023 – 2028) with a mid-point assessment near the end of the third year (2025) that would include actual information for a minimum of 2 years under the new framework?

Response:

- a) Please see response to Exhibit I.1.EGI.FRPO.1.
- b) In its original Application filed on May 3, 2021, Enbridge Gas proposed a six-year DSM term with a mid-point assessment at the 3-year mark, at the end of 2024.

In its Decision and Order Related to 2022 Natural Gas Demand Side Management Activities, the OEB provided direction to Enbridge Gas regarding the term of the multi-year DSM Plan, as follows: “The multi-year DSM term from 2023 through the end of 2027 will be subject to a full review in this proceeding.”¹ The Decision also provided the following: “Enbridge Gas Inc. may make updates to its pre-filed evidence related to its 2023-2027 DSM activities, in response to the OEB’s Decision on 2022 DSM activities.”² As such, under the new direction provided by the OEB directing the evidence reflect a five year term of 2023-2027, Enbridge Gas was required to update its evidence and incorporate the mid-point assessment into the

¹ EB-2021-0002, OEB Decision and Order Related to 2022 Natural Gas Demand Side Management Activities (August 26, 2021), p. 4.

² Ibid, p. 12.

five-year, 2023-2027 term direction provided by the OEB. The Company determined it best to maintain the mid-point at the end of 2024 to align with other relevant timelines. Specifically, Enbridge Gas will be rebasing in 2024 and the term for the current CDM Framework is 2021-2024.

ENBRIDGE GAS INC.

Answer to Interrogatory from
Pollution Probe (PP)

Interrogatory

Issue 4

Question(s):

Please indicate how many years Enbridge has been delivering multi-year DSM plans approved by the OEB.

Response:

The regulatory framework governing DSM activities in Ontario's natural gas sector was initially established in 1993 under EBO 169-III. Under this framework Enbridge Gas Distribution and Union Gas would file their respective annual Demand Side Management Plans, subject to approved Settlement Agreements.

In 2006 the OEB held a generic hearing (EB-2006-0021) to establish its first multi-year DSM Framework that would guide natural gas utilities in filing DSM Plans for a 3-year term. Since then both Enbridge Gas Distribution and Union Gas have continued to deliver multi-year DSM plans.